

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 3

AMENDED REPORT ☐

APPLICATION FOR PERMIT TO DRILL						1. WELL NAME and NUMBER LC Tribal 16H-27-46				
2. TYPE OF WORK DRILL NEW WELL <input checked="" type="checkbox"/> REENTER P&A WELL <input type="checkbox"/> DEEPEN WELL <input type="checkbox"/>						3. FIELD OR WILDCAT ALTAMONT				
4. TYPE OF WELL Oil Well Coalbed Methane Well: NO						5. UNIT or COMMUNITIZATION AGREEMENT NAME				
6. NAME OF OPERATOR BILL BARRETT CORP						7. OPERATOR PHONE 303 312-8164				
8. ADDRESS OF OPERATOR 1099 18th Street Ste 2300, Denver, CO, 80202						9. OPERATOR E-MAIL BHilgers@billbarrettcorp.com				
10. MINERAL LEASE NUMBER (FEDERAL, INDIAN, OR STATE) 1420H626425			11. MINERAL OWNERSHIP FEDERAL <input type="checkbox"/> INDIAN <input checked="" type="checkbox"/> STATE <input type="checkbox"/> FEE <input type="checkbox"/>			12. SURFACE OWNERSHIP FEDERAL <input type="checkbox"/> INDIAN <input type="checkbox"/> STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>				
13. NAME OF SURFACE OWNER (if box 12 = 'fee') UDWR						14. SURFACE OWNER PHONE (if box 12 = 'fee') 801-538-4744				
15. ADDRESS OF SURFACE OWNER (if box 12 = 'fee') 1594 W North Temple Suite 2110, Salt Lake City, UT 84116						16. SURFACE OWNER E-MAIL (if box 12 = 'fee')				
17. INDIAN ALLOTTEE OR TRIBE NAME (if box 12 = 'INDIAN') Uintah and Ouray			18. INTEND TO COMMINGLE PRODUCTION FROM MULTIPLE FORMATIONS YES <input type="checkbox"/> (Submit Commingling Application) NO <input checked="" type="checkbox"/>			19. SLANT VERTICAL <input type="checkbox"/> DIRECTIONAL <input type="checkbox"/> HORIZONTAL <input checked="" type="checkbox"/>				
20. LOCATION OF WELL		FOOTAGES		QTR-QTR	SECTION	TOWNSHIP	RANGE	MERIDIAN		
LOCATION AT SURFACE		1241 FSL 328 FWL		SWSW	27	4.0 S	6.0 W	U		
Top of Uppermost Producing Zone		1298 FSL 884 FWL		SWSW	27	4.0 S	6.0 W	U		
At Total Depth		800 FSL 800 FEL		SESE	27	4.0 S	6.0 W	U		
21. COUNTY DUCHESENE			22. DISTANCE TO NEAREST LEASE LINE (Feet) 800			23. NUMBER OF ACRES IN DRILLING UNIT 640				
			25. DISTANCE TO NEAREST WELL IN SAME POOL (Applied For Drilling or Completion) 1640			26. PROPOSED DEPTH MD: 9726 TVD: 5949				
27. ELEVATION - GROUND LEVEL 7260			28. BOND NUMBER LPM8874725			29. SOURCE OF DRILLING WATER / WATER RIGHTS APPROVAL NUMBER IF APPLICABLE 43-180				
Hole, Casing, and Cement Information										
String	Hole Size	Casing Size	Length	Weight	Grade & Thread	Max Mud Wt.	Cement	Sacks	Yield	Weight
Cond	26	16	0 - 80	65.0	Unknown	8.8	No Used	0	0.0	0.0
Surf	12.25	9.625	0 - 1800	36.0	J-55 ST&C	8.8	Halliburton Light , Type Unknown	240	3.16	11.0
							Halliburton Premium , Type Unknown	210	1.36	14.8
I1	8.75	7	0 - 6177	26.0	P-110 LT&C	9.2	Unknown	270	3.14	14.8
							Unknown	140	1.42	13.5
L1	6.125	4.5	0 - 9726	11.6	P-110 LT&C	9.5	No Used	0	0.0	0.0
ATTACHMENTS										
VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES										
<input checked="" type="checkbox"/> WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER					<input checked="" type="checkbox"/> COMPLETE DRILLING PLAN					
<input checked="" type="checkbox"/> AFFIDAVIT OF STATUS OF SURFACE OWNER AGREEMENT (IF FEE SURFACE)					<input type="checkbox"/> FORM 5. IF OPERATOR IS OTHER THAN THE LEASE OWNER					
<input checked="" type="checkbox"/> DIRECTIONAL SURVEY PLAN (IF DIRECTIONALLY OR HORIZONTALLY DRILLED)					<input checked="" type="checkbox"/> TOPOGRAPHICAL MAP					
NAME Venessa Langmacher			TITLE Senior Permit Analyst			PHONE 303 312-8172				
SIGNATURE			DATE 11/08/2012			EMAIL vlangmacher@billbarrettcorp.com				
API NUMBER ASSIGNED 43013518550000			APPROVAL							

Received: November 14, 2012

DRILLING PLAN

BILL BARRETT CORPORATION

LC Tribal 16H-27-46

SHL: SW SW, 1241' FSL and 328' FWL, Section 27, T4S-R6W

BHL:SE SE, 800' FSL and 800' FEL, Section 27, T4S-R6W

Duchesne Co., UT

Bill Barrett Corporation (BBC) intends to drill a horizontal through the prospective zone within the Uteland Butte.

1 - 3. Estimated Tops of Geological Markers and Formations Expected to Contain Water, Oil and Gas and Other Minerals

HORIZONTAL LEG FORMATION TOPS

<u>Formation</u>	<u>Depth – MD</u>	<u>Depth - TVD</u>
Green River	1,969'	1,969'
Surface casing	1,800'	1,800'
Mahogany	2,619'	2,619'
TGR3	3,689'	3,689'
Douglas Creek	4,474'	4,474'
3 PT Marker	4,824'	4,824'
Black Shale Facies	5,149'	5,149'
Castle Peak	5,464'	5,464'
*Uteland Butte	5,888'	5,785'
CR1	6,039'	5,844'
TD	9,726'	5,949'

*PROSPECTIVE PAY

The Uteland Butte is the primary objective for oil/gas.

Base of Useable Water = 2,574'

4. Casing Program

<u>Hole Size</u>	<u>SETTING DEPTH</u>		<u>Casing Size</u>	<u>Casing Weight</u>	<u>Casing Grade</u>	<u>Thread</u>	<u>Condition</u>
	<u>(FROM)</u>	<u>(TO)</u>					
12-1/4"	surface	1,800'	9 5/8"	36.0 ppf	J or K 55	ST&C	New
8 3/4"	surface	6,177'	7"	26.0 ppf	P-110	LT&C	New
6 1/8"	surface	9,726'	4 1/2" Liner with 4-1/2" Tieback for frac	11.6 ppf	P-110	LT&C	New

5. Cementing Program

9 5/8" Surface Casing	Lead with approximately 240 sx Halliburton Light Premium cement with additives mixed at 11.0 ppg (yield = 3.16 ft ³ /sx). TOC @ Surface Tail with 210 sx Premium 14.8 ppg (yield = 1.36 ft ³ /sx) calculated hole volume with 75% excess. TOC @ 1,300' Top out cement, if required: 100 sx of Premium cement with additives mixed at 15.8 ppg (yield = 1.17 ft ³ /sk)
7" Intermediate Casing	Lead with approximately 270 sx Tune Light cement with additives, mixed at 11.0 ppg (yield = 3.14 ft ³ /sx). TOC @ 1,300' Tail with approximately 140 sx Halliburton Econocem cement with additives mixed at 13.5 ppg (yield = 1.42 ft ³ /sx). TOC @ 4,291'
6-1/8" hole for 4-1/2" production liner	Depending on hole conditions, plan to run un-cemented 4-1/2" liner with open hole packers or cement w/ 400 sx ECONOCEM w/ additives, 13.5 ppg, 1.4 ft ³ /sx, 50% excess. Planned TOC @ 4-1/2" liner top
Note: Top of Tail cement for the intermediate string will be calculated to 1000' above the KOP using gauge hole plus 50% excess. Lead to 200' inside of surface casing.	

6. Mud Program

<u>Interval</u>	<u>Weight</u>	<u>Viscosity</u>	<u>Fluid Loss (API filtrate)</u>	<u>Remarks</u>
40' – 1,800'	8.4 – 8.6	26 – 36	NC	Freshwater Spud Mud Fluid System
1,800' – 5,177'	8.9 – 9.2	26 – 36	NC	Fresh Water with sweeps
5,177' – TD	9.0 – 9.5	45 – 58	4 – 10	Fresh Water PHPA
Note: Sufficient mud materials to maintain mud properties, control lost circulation and to contain "kicks" will be available at wellsite. BBC may require minor amounts of diesel to be added to its fluid system in order to reduce torque and drag.				

7. BOP and Pressure Containment Data

<u>Depth Intervals</u>	<u>BOP Equipment</u>
0 – 1,800'	No pressure control required
1,800' – TD	11" 5000# Ram Type BOP 11" 5000# Annular BOP
- Drilling spool to accommodate choke and kill lines;	
- Ancillary and choke manifold to be rated @ 5000 psi;	
- Ancillary equipment and choke manifold rated at 5,000#. All BOP and BOPE tests will be in accordance with the requirements of onshore Order No. 2;	
- The BLM and the State of Utah Division of Oil, Gas and Mining will be notified 24 hours in advance of all BOP pressure tests.	
- BOP hand wheels may be underneath the sub-structure of the rig if the drilling rig used is set up to operate most efficiently in this manner.	

8. Auxiliary Equipment

- a) Upper kelly cock; lower Kelly cock will be installed while drilling
- b) Inside BOP or stab-in valve (available on rig floor)
- c) Safety valve(s) and subs to fit all string connections in use
- d) Mud monitoring will be visually observed

9. Testing, Logging and Core Programs

Cores	None anticipated;
Testing	None anticipated; drill stem tests may be run on shows of interest;
Sampling	30' to 50' samples; surface casing to TD. Preserve samples all show intervals;
Surveys	MWD with GR as needed to land wellbore;
WL Logging	None in intermediate
Note: FMI and CAL may be run on the lateral portion of the horizontal wellbore at the geologist's discretion.	

10. Anticipated Abnormal Pressures or Temperatures

No abnormal pressures or temperatures or other hazards are anticipated.

Maximum anticipated bottom hole pressure equals approximately 2938 psi* and maximum anticipated surface pressure equals approximately 1650 psi** (bottom hole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/foot).

*Max Mud Wt x 0.052 x TD = A (bottom hole pressure)

**Maximum surface pressure = A - (0.22 x TD)

11. Location and Type of Water Supply

Water for the drilling and completion will be trucked from the Duchesne City Culinary Water Dock located in Sec. 1, T4S, R5W.

12. Drilling Schedule

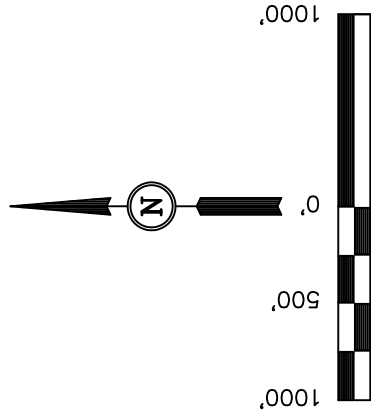
Location Construction: June 2013
Spud: June 2013
Duration: 25 days drilling time
25 days completion time

BILL BARRETT CORPORATION

BASIS OF ELEVATION

BASIS OF BEARINGS

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.



CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE REPORT WAS PREPARED FROM
FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY
SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE
BEST OF MY KNOWLEDGE AND BELIEF.

REGISTERED

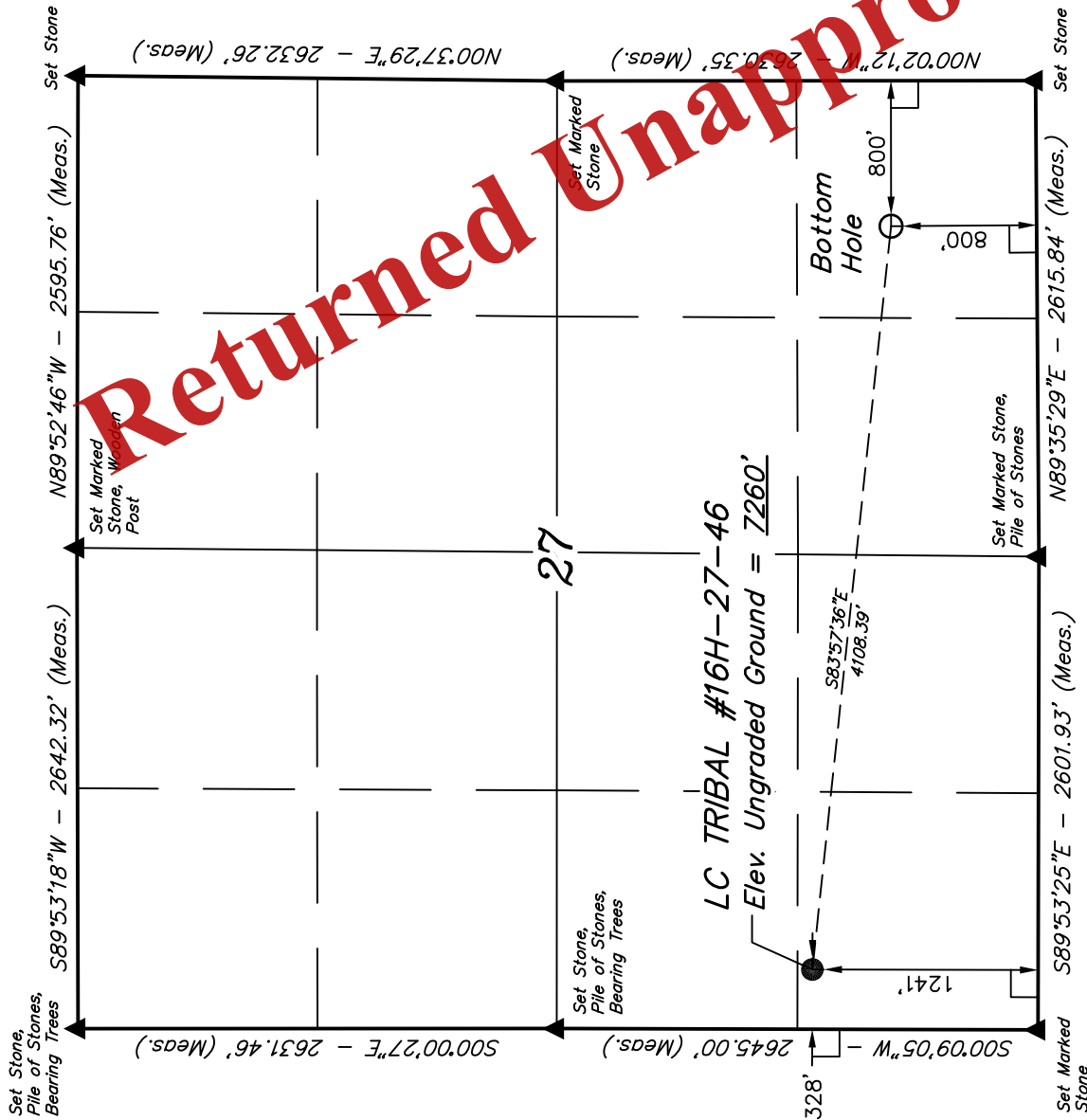
UTAH ENGINEERING & LAND SURVEYING
85 SOUTH 200 EAST - VERNAL, UTAH 84078
(435) 789-1017

SCALE	DATE SURVEYED:	DATE DRAWN:
1" = 1000'	06-13-11	06-27-

PARTY	REFERENCES
C.R. A.W. K.O.	G.L.O. PLAT

WEATHER	WARM
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BILL BARRETT CORPORATION



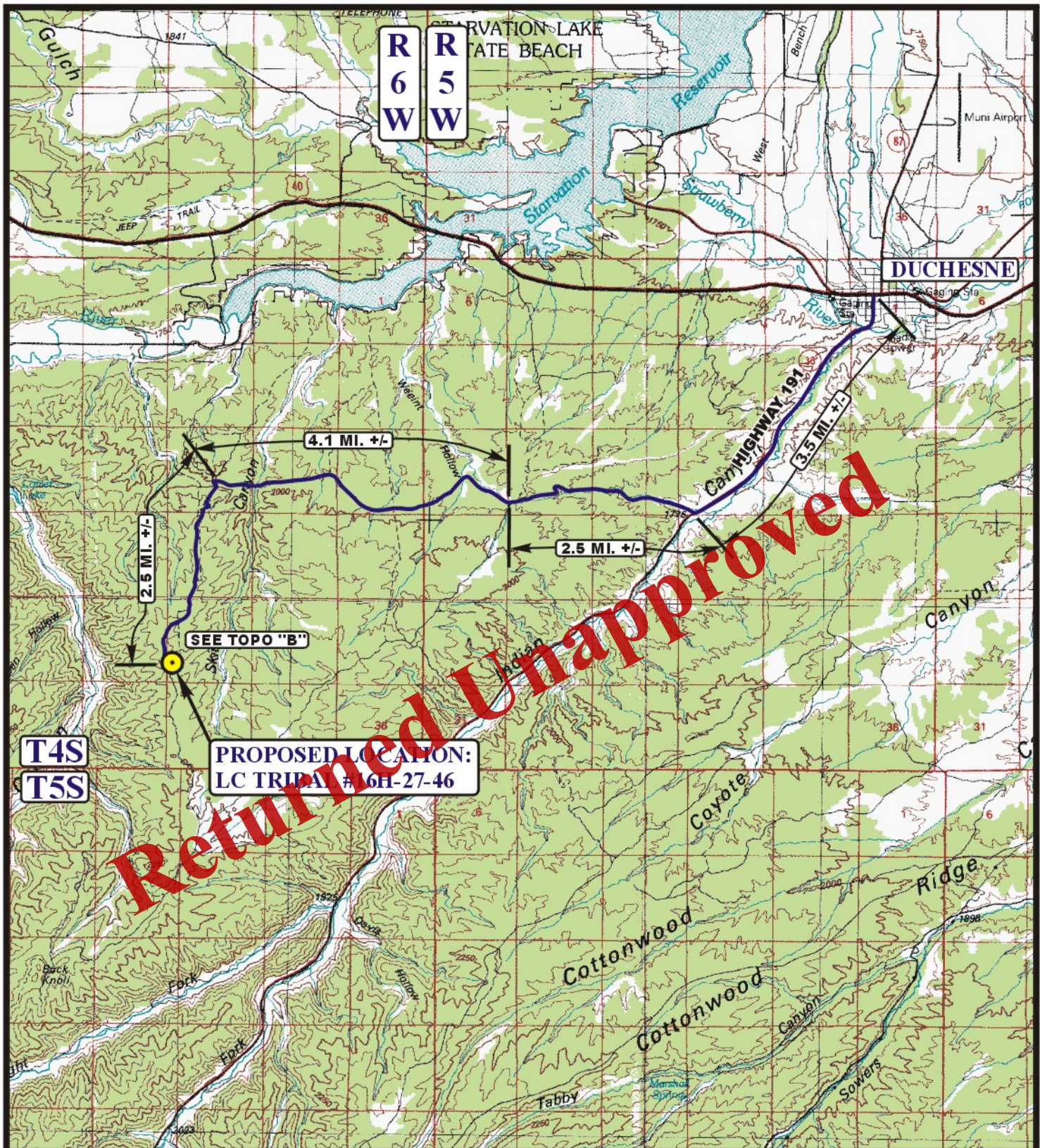
NAD 83 (TARGET BOTTOM HOLE)	NAD 83 (SURFACE LOCATION)
LATITUDE = 40°05'56.88" (10.099133)	LATITUDE = 40°06'01.06" (10.100294)
LONGITUDE = 110°32'33.59" (110.542664)	LONGITUDE = 110°32'26.16" (110.552767)
NAD 27 (TARGET BOTTOM HOLE)	NAD 27 (SURFACE LOCATION)
LATITUDE = 40°05'57.03" (10.099175)	LATITUDE = 40°06'01.21" (10.100336)
LONGITUDE = 110°32'31.03" (110.541953)	LONGITUDE = 110°32'23.60" (110.556556)

LEGEND:

$$\angle = 90^\circ \text{ SYMBOL}$$

● = PROPOSED WELL HEAD.

▲ = SECTION CORNERS LOCATED.



LEGEND:

● PROPOSED LOCATION



BILL BARRETT CORPORATION

LC TRIBAL #16H-27-46
SECTION 27, T4S, R6W, U.S.B.&M.
1241' FSL 328' FWL



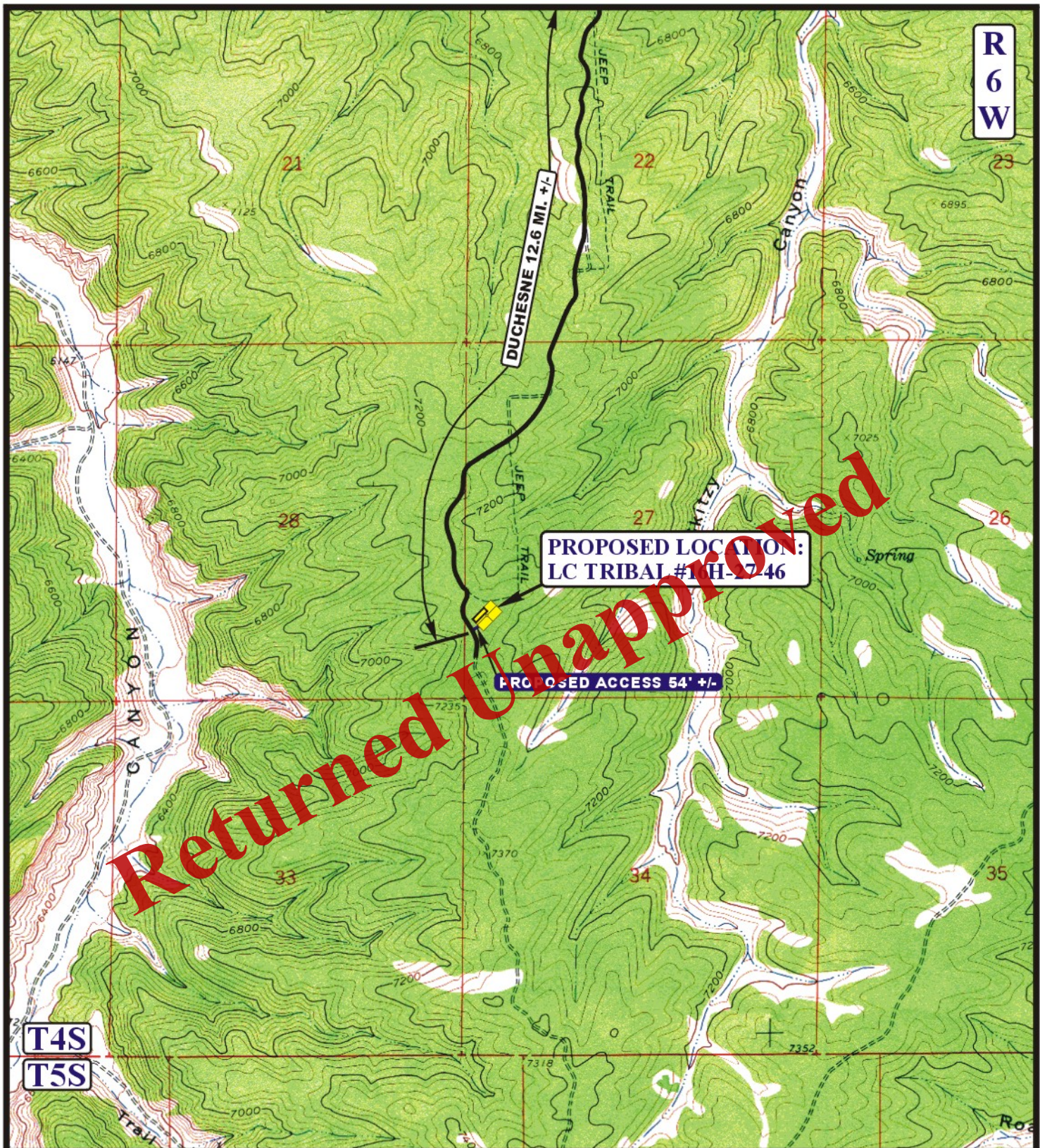
Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

ACCESS ROAD
MAP

06 20 11
 MONTH DAY YEAR



SCALE: 1:100,000 DRAWN BY: C.A.G. REVISED: 00-00-00



LEGEND:

————— EXISTING ROAD
 - - - - - PROPOSED ACCESS ROAD



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 85 South 200 East Vernal, Utah 84078
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BILL BARRETT CORPORATION

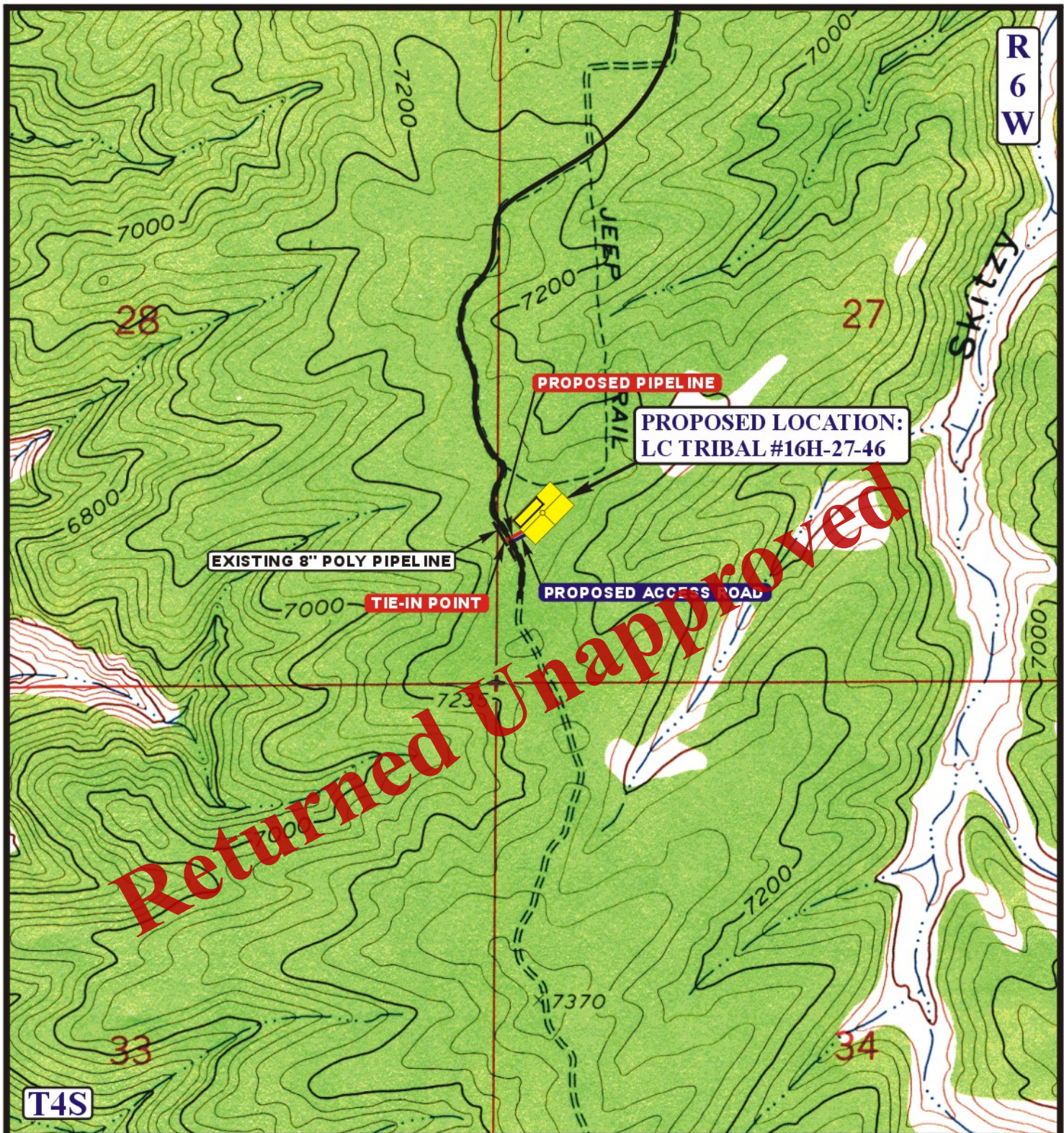
LC TRIBAL #16H-27-46
SECTION 27, T4S, R6W, U.S.B.&M.
1241' FSL 328' FWL

ACCESS ROAD
M A P

06 20 11
 MONTH DAY YEAR

B
TOPO

SCALE: 1" = 2000' DRAWN BY: C.A.G. REVISED: 00-00-00



APPROXIMATE TOTAL PIPELINE DISTANCE = 87' +/-

LEGEND:

- PROPOSED ACCESS ROAD
- EXISTING PIPELINE
- PROPOSED PIPELINE



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BILL BARRETT CORPORATION

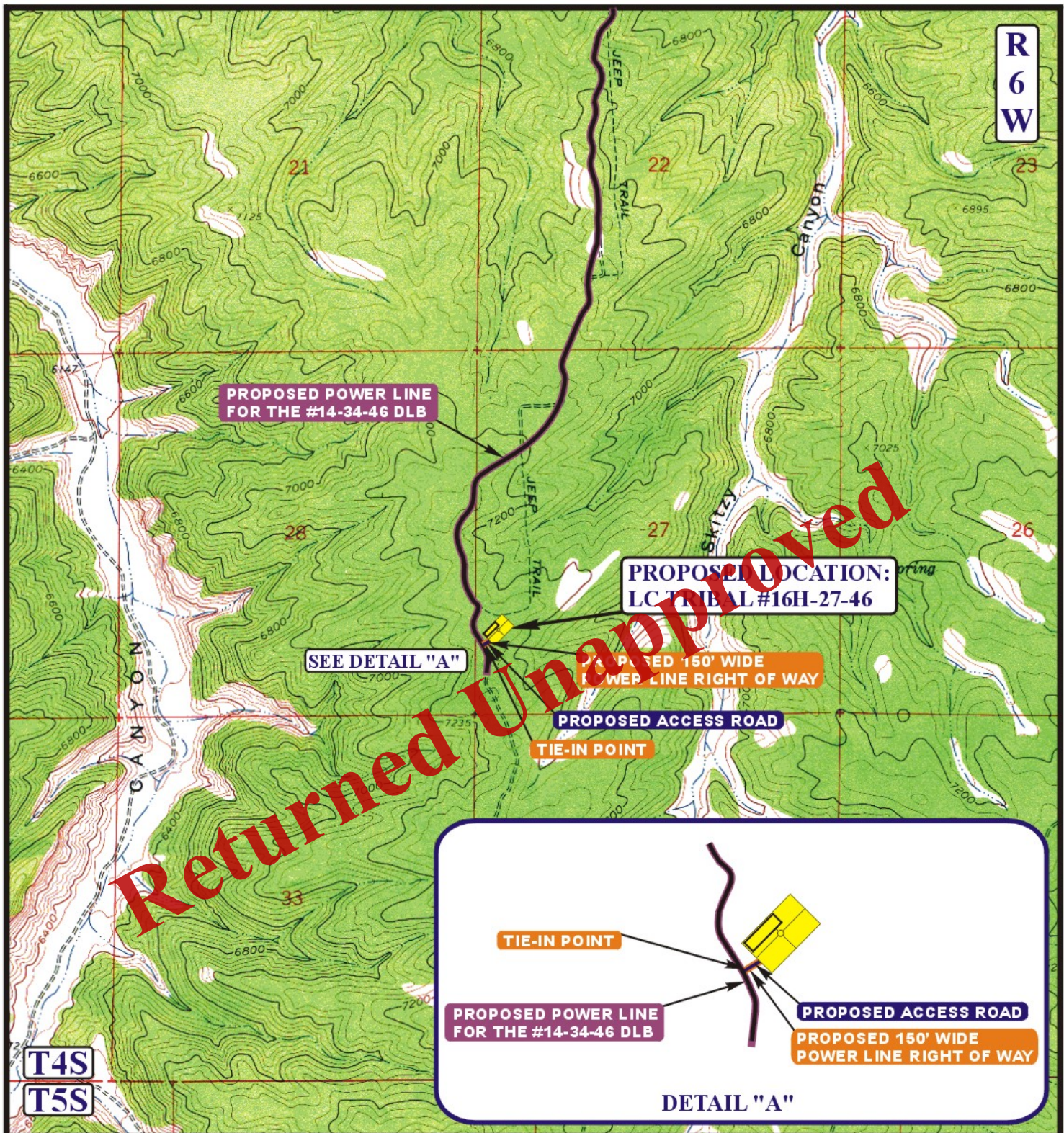
LC TRIBAL #16H-27-46
SECTION 27, T4S, R6W, U.S.B.&M.
1241' FSL 328' FWL

**TOPOGRAPHIC
MAP**

06 20 11
MONTH DAY YEAR

SCALE: 1" = 1000' DRAWN BY: C.A.G. REVISED: 00-00-00





APPROXIMATE TOTAL POWER LINE DISTANCE = 70' +/-

LEGEND:

- PROPOSED ACCESS ROAD
- PROPOSED POWER LINE
- PROPOSED POWER LINE (SERVICING OTHER WELLS)



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BILL BARRETT CORPORATION

LC TRIBAL #16H-27-46
SECTION 27, T4S, R6W, U.S.B.&M.
1241' FSL 328' FWL

TOPOGRAPHIC
MAP

06 04 12
MONTH DAY YEAR

SCALE: 1" = 2000'

DRAWN BY: A.T.

REVISED: 00-00-00

D
TOPO

COMPANY DETAILS: BILL BARRETT CORP

 Calculation Method: Minimum Curvature
 Error System: ISCWSA
 Scan Method: Closest Approach 3D
 Error Surface: Elliptical Conic
 Warning Method: Error Ratio

 Positional Uncertainty: 0.0
 Convergence: 0.60
 Local North: True

WELL DETAILS: 16H-27-46 LC Tribal

	Ground Level: 7259.0	
+N/-S	+E/-W	North
0.0	0.0	644984.36
		2263909.02
		40° 6' 1.210 N
		110° 33' 23.602 W

WELLBORE TARGET DETAILS (LAT/LONG)

Name	TVD	+N/-S	+E/-W	Latitude	Longitude	Shape
16H-27-46 LC Tribal PBHL	5949.0	-422.6	4085.0	40° 5' 57.030 N	110° 32' 31.031 W	Point

SECTION DETAILS

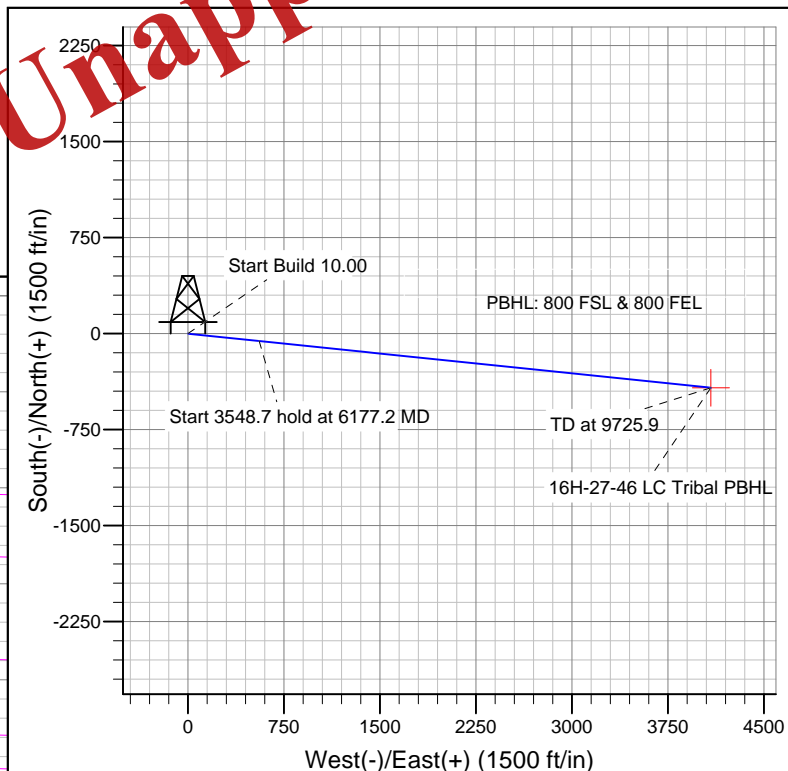
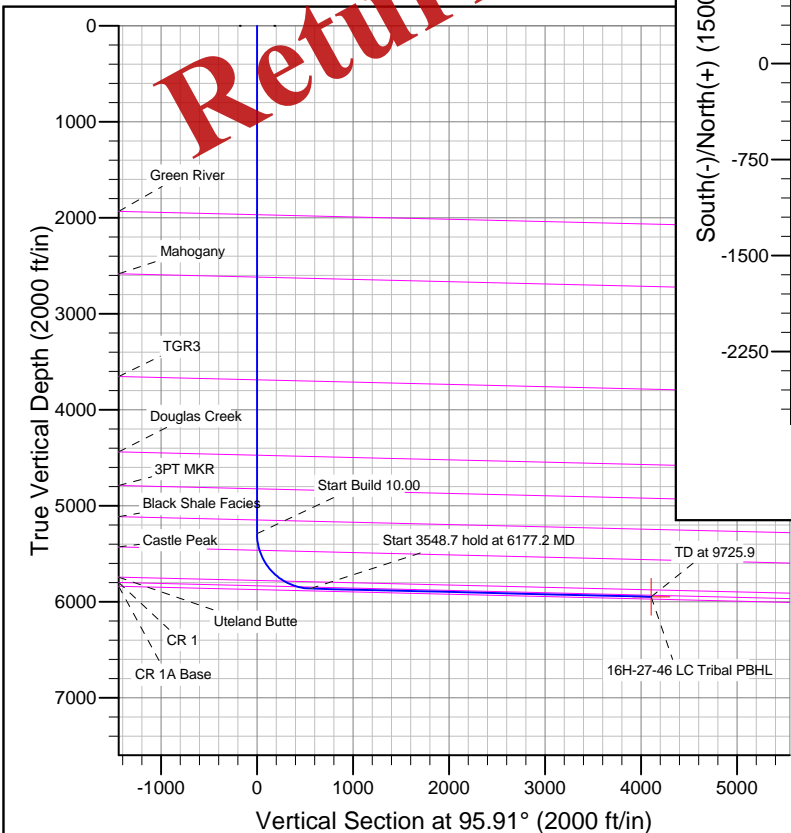
Sec	MD	Inc	Azi	TVD	+N/-S	+E/-W	DLeg	TFace	VSec	Target
1	0.0	0.00	0.00	0.0	0.0	0.0	0.00	0.00	0.0	
2	5291.2	0.00	0.00	5291.2	0.0	0.0	0.00	0.00	0.0	
3	6177.5	88.63	95.91	5864.0	-57.5	556.3	10.00	95.91	559.2	
4	9726.1	88.63	95.91	5949.0	-422.6	4085.0	0.00	0.00	4106.8	
5	9726.1	0.00	0.00	5949.0	-422.6	4085.0	0.00	180.00	4106.8	16H-27-46 LC Tribal PBHL

FORMATION TOP DETAILS

TVDPath	MDPath	Formation
1969.0	1969.0	CR 1A Base
2619.0	2619.0	Green River
3689.0	3689.0	Mahogany
4474.0	4474.0	TGR3
4824.0	4824.0	Douglas Creek
5149.0	5149.0	3PT MKR
5464.6	5467.4	Black Shale Facies
5785.8	5888.0	Castle Peak
5844.1	6039.2	Uteland Butte
		CR 1

CASING DETAILS

No casing data is available


 Azimuths to True North
 Magnetic North: 11.35°

 Magnetic Field
 Strength: 52089.3snT
 Dip Angle: 65.71°
 Date: 9/24/2012
 Model: IGRF2010

Bill Barrett Corp

Planning Report

Database:	Compass	Local Co-ordinate Reference:	Well 16H-27-46 LC Tribal
Company:	BILL BARRETT CORP	TVD Reference:	KB @ 7274.0ft (Original Well Elev)
Project:	DUCHESNE COUNTY, UT (NAD 27)	MD Reference:	KB @ 7274.0ft (Original Well Elev)
Site:	16H-27-46 LC Tribal	North Reference:	True
Well:	16H-27-46 LC Tribal	Survey Calculation Method:	Minimum Curvature
Wellbore:	16H-27-46 LC Tribal		
Design:	Design #1		

Project	DUCHESNE COUNTY, UT (NAD 27)		
Map System:	US State Plane 1927 (Exact solution)	System Datum:	Ground Level
Geo Datum:	NAD 1927 (NADCON CONUS)		
Map Zone:	Utah Central 4302		

Site	16H-27-46 LC Tribal			
Site Position:		Northing:	644,984.36 ft	Latitude: 40° 6' 1.210 N
From:	Lat/Long	Easting:	2,263,909.02 ft	Longitude: 110° 33' 23.602 W
Position Uncertainty:	0.0 ft	Slot Radius:	"	Grid Convergence: 0.60 °

Well	16H-27-46 LC Tribal			
Well Position	+N/-S	0.0 ft	Northing:	644,984.36 ft
	+E/-W	0.0 ft	Easting:	2,263,909.02 ft
Position Uncertainty		0.0 ft	Wellhead Elevation:	ft
			Ground Level:	7,259.0 ft

Wellbore	16H-27-46 LC Tribal				
Magnetics	Model Name	Sample Date	Declination (°)	Dip Angle (°)	Field Strength (nT)
	IGRF2010	9/24/2012	11.36	65.71	52,089

Design	Design #1			
Audit Notes:				
Version:	Phase:	PLAN	Tie On Depth:	0.0
Vertical Section:	Depth From (TVD)	+N/-S (ft)	+E/-W (ft)	Direction (°)
	0.0	0.0	0.0	95.91

Plan Sections										
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)	TFO (°)	Target
0.0	0.00	0.00	0.0	0.0	0.0	0.00	0.00	0.00	0.00	
5,291.2	0.00	0.00	5,291.2	0.0	0.0	0.00	0.00	0.00	0.00	
6,177.5	88.63	95.91	5,864.0	-57.5	556.3	10.00	10.00	0.00	95.91	
9,726.1	88.63	95.91	5,949.0	-422.6	4,085.0	0.00	0.00	0.00	0.00	
9,726.1	0.00	0.00	5,949.0	-422.6	4,085.0	0.00	0.00	0.00	180.00	16H-27-46 LC Tribal f

Bill Barrett Corp

Planning Report

Database:	Compass	Local Co-ordinate Reference:	Well 16H-27-46 LC Tribal
Company:	BILL BARRETT CORP	TVD Reference:	KB @ 7274.0ft (Original Well Elev)
Project:	DUCHESNE COUNTY, UT (NAD 27)	MD Reference:	KB @ 7274.0ft (Original Well Elev)
Site:	16H-27-46 LC Tribal	North Reference:	True
Well:	16H-27-46 LC Tribal	Survey Calculation Method:	Minimum Curvature
Wellbore:	16H-27-46 LC Tribal		
Design:	Design #1		

Planned Survey									
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
0.0	0.00	0.00	0.0	0.0	0.0	0.0	0.00	0.00	0.00
100.0	0.00	0.00	100.0	0.0	0.0	0.0	0.00	0.00	0.00
200.0	0.00	0.00	200.0	0.0	0.0	0.0	0.00	0.00	0.00
300.0	0.00	0.00	300.0	0.0	0.0	0.0	0.00	0.00	0.00
400.0	0.00	0.00	400.0	0.0	0.0	0.0	0.00	0.00	0.00
500.0	0.00	0.00	500.0	0.0	0.0	0.0	0.00	0.00	0.00
600.0	0.00	0.00	600.0	0.0	0.0	0.0	0.00	0.00	0.00
700.0	0.00	0.00	700.0	0.0	0.0	0.0	0.00	0.00	0.00
800.0	0.00	0.00	800.0	0.0	0.0	0.0	0.00	0.00	0.00
900.0	0.00	0.00	900.0	0.0	0.0	0.0	0.00	0.00	0.00
1,000.0	0.00	0.00	1,000.0	0.0	0.0	0.0	0.00	0.00	0.00
1,100.0	0.00	0.00	1,100.0	0.0	0.0	0.0	0.00	0.00	0.00
1,200.0	0.00	0.00	1,200.0	0.0	0.0	0.0	0.00	0.00	0.00
1,300.0	0.00	0.00	1,300.0	0.0	0.0	0.0	0.00	0.00	0.00
1,400.0	0.00	0.00	1,400.0	0.0	0.0	0.0	0.00	0.00	0.00
1,500.0	0.00	0.00	1,500.0	0.0	0.0	0.0	0.00	0.00	0.00
1,600.0	0.00	0.00	1,600.0	0.0	0.0	0.0	0.00	0.00	0.00
1,700.0	0.00	0.00	1,700.0	0.0	0.0	0.0	0.00	0.00	0.00
1,800.0	0.00	0.00	1,800.0	0.0	0.0	0.0	0.00	0.00	0.00
1,900.0	0.00	0.00	1,900.0	0.0	0.0	0.0	0.00	0.00	0.00
1,969.0	0.00	0.00	1,969.0	0.0	0.0	0.0	0.00	0.00	0.00
Green River									
2,000.0	0.00	0.00	2,000.0	0.0	0.0	0.0	0.00	0.00	0.00
2,100.0	0.00	0.00	2,100.0	0.0	0.0	0.0	0.00	0.00	0.00
2,200.0	0.00	0.00	2,200.0	0.0	0.0	0.0	0.00	0.00	0.00
2,300.0	0.00	0.00	2,300.0	0.0	0.0	0.0	0.00	0.00	0.00
2,400.0	0.00	0.00	2,400.0	0.0	0.0	0.0	0.00	0.00	0.00
2,500.0	0.00	0.00	2,500.0	0.0	0.0	0.0	0.00	0.00	0.00
2,600.0	0.00	0.00	2,600.0	0.0	0.0	0.0	0.00	0.00	0.00
2,619.0	0.00	0.00	2,619.0	0.0	0.0	0.0	0.00	0.00	0.00
Mahogany									
2,700.0	0.00	0.00	2,700.0	0.0	0.0	0.0	0.00	0.00	0.00
2,800.0	0.00	0.00	2,800.0	0.0	0.0	0.0	0.00	0.00	0.00
2,900.0	0.00	0.00	2,900.0	0.0	0.0	0.0	0.00	0.00	0.00
3,000.0	0.00	0.00	3,000.0	0.0	0.0	0.0	0.00	0.00	0.00
3,100.0	0.00	0.00	3,100.0	0.0	0.0	0.0	0.00	0.00	0.00
3,200.0	0.00	0.00	3,200.0	0.0	0.0	0.0	0.00	0.00	0.00
3,300.0	0.00	0.00	3,300.0	0.0	0.0	0.0	0.00	0.00	0.00
3,400.0	0.00	0.00	3,400.0	0.0	0.0	0.0	0.00	0.00	0.00
3,500.0	0.00	0.00	3,500.0	0.0	0.0	0.0	0.00	0.00	0.00
3,600.0	0.00	0.00	3,600.0	0.0	0.0	0.0	0.00	0.00	0.00
3,689.0	0.00	0.00	3,689.0	0.0	0.0	0.0	0.00	0.00	0.00
TGR3									
3,700.0	0.00	0.00	3,700.0	0.0	0.0	0.0	0.00	0.00	0.00
3,800.0	0.00	0.00	3,800.0	0.0	0.0	0.0	0.00	0.00	0.00
3,900.0	0.00	0.00	3,900.0	0.0	0.0	0.0	0.00	0.00	0.00
4,000.0	0.00	0.00	4,000.0	0.0	0.0	0.0	0.00	0.00	0.00
4,100.0	0.00	0.00	4,100.0	0.0	0.0	0.0	0.00	0.00	0.00
4,200.0	0.00	0.00	4,200.0	0.0	0.0	0.0	0.00	0.00	0.00
4,300.0	0.00	0.00	4,300.0	0.0	0.0	0.0	0.00	0.00	0.00
4,400.0	0.00	0.00	4,400.0	0.0	0.0	0.0	0.00	0.00	0.00
4,474.0	0.00	0.00	4,474.0	0.0	0.0	0.0	0.00	0.00	0.00
Douglas Creek									
4,500.0	0.00	0.00	4,500.0	0.0	0.0	0.0	0.00	0.00	0.00

Bill Barrett Corp

Planning Report

Database:	Compass	Local Co-ordinate Reference:	Well 16H-27-46 LC Tribal
Company:	BILL BARRETT CORP	TVD Reference:	KB @ 7274.0ft (Original Well Elev)
Project:	DUCHESNE COUNTY, UT (NAD 27)	MD Reference:	KB @ 7274.0ft (Original Well Elev)
Site:	16H-27-46 LC Tribal	North Reference:	True
Well:	16H-27-46 LC Tribal	Survey Calculation Method:	Minimum Curvature
Wellbore:	16H-27-46 LC Tribal		
Design:	Design #1		

Planned Survey									
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
4,600.0	0.00	0.00	4,600.0	0.0	0.0	0.0	0.00	0.00	0.00
4,700.0	0.00	0.00	4,700.0	0.0	0.0	0.0	0.00	0.00	0.00
4,800.0	0.00	0.00	4,800.0	0.0	0.0	0.0	0.00	0.00	0.00
4,824.0	0.00	0.00	4,824.0	0.0	0.0	0.0	0.00	0.00	0.00
3PT MKR									
4,900.0	0.00	0.00	4,900.0	0.0	0.0	0.0	0.00	0.00	0.00
5,000.0	0.00	0.00	5,000.0	0.0	0.0	0.0	0.00	0.00	0.00
5,100.0	0.00	0.00	5,100.0	0.0	0.0	0.0	0.00	0.00	0.00
5,149.0	0.00	0.00	5,149.0	0.0	0.0	0.0	0.00	0.00	0.00
Black Shale Facies									
5,200.0	0.00	0.00	5,200.0	0.0	0.0	0.0	0.00	0.00	0.00
5,291.0	0.00	0.00	5,291.0	0.0	0.0	0.0	0.00	0.00	0.00
Start Build 10.00									
5,291.2	0.00	0.00	5,291.2	0.0	0.0	0.0	0.00	0.00	0.00
5,300.0	0.88	95.91	5,300.0	0.0	0.1	0.1	10.00	10.00	0.00
5,400.0	10.88	95.91	5,399.3	-1.1	10.2	10.8	10.00	10.00	0.00
5,467.4	17.62	95.91	5,464.6	-2.8	16.2	26.9	10.00	10.00	0.00
Castle Peak									
5,500.0	20.88	95.91	5,495.4	-3.9	37.4	37.6	10.00	10.00	0.00
5,600.0	30.88	95.91	5,585.3	-3.4	80.8	81.2	10.00	10.00	0.00
5,700.0	40.88	95.91	5,666.2	-14.4	139.0	139.8	10.00	10.00	0.00
5,800.0	50.88	95.91	5,735.7	-21.8	210.3	211.5	10.00	10.00	0.00
5,888.0	59.68	95.91	5,786.8	-29.2	282.2	283.7	10.00	10.00	0.00
Uteland Butte									
5,900.0	60.88	95.91	5,791.7	-30.3	292.6	294.1	10.00	10.00	0.00
6,000.0	70.88	95.91	5,832.6	-39.6	383.2	385.3	10.00	10.00	0.00
6,039.2	74.88	95.91	5,844.1	-43.5	420.5	422.7	10.00	10.00	0.00
CR 1									
6,100.0	80.88	95.91	5,856.9	-49.6	479.6	482.1	10.00	10.00	0.00
6,177.2	88.60	95.91	5,864.0	-57.5	556.0	559.0	10.00	10.00	0.00
Start 3548.7 hold at 6177.2 MD									
6,177.5	88.63	95.91	5,864.0	-57.5	556.3	559.2	10.00	10.00	0.00
6,200.0	88.63	95.91	5,864.5	-59.9	578.7	581.8	0.00	0.00	0.00
6,300.0	88.63	95.91	5,866.9	-70.1	678.1	681.7	0.00	0.00	0.00
6,400.0	88.63	95.91	5,869.3	-80.4	777.5	781.7	0.00	0.00	0.00
6,500.0	88.63	95.91	5,871.7	-90.7	877.0	881.7	0.00	0.00	0.00
6,600.0	88.63	95.91	5,874.1	-101.0	976.4	981.6	0.00	0.00	0.00
6,700.0	88.63	95.91	5,876.5	-111.3	1,075.9	1,081.6	0.00	0.00	0.00
6,800.0	88.63	95.91	5,878.9	-121.6	1,175.3	1,181.6	0.00	0.00	0.00
6,900.0	88.63	95.91	5,881.3	-131.9	1,274.7	1,281.6	0.00	0.00	0.00
7,000.0	88.63	95.91	5,883.7	-142.1	1,374.2	1,381.5	0.00	0.00	0.00
7,100.0	88.63	95.91	5,886.1	-152.4	1,473.6	1,481.5	0.00	0.00	0.00
7,200.0	88.63	95.91	5,888.5	-162.7	1,573.1	1,581.5	0.00	0.00	0.00
7,300.0	88.63	95.91	5,890.9	-173.0	1,672.5	1,681.4	0.00	0.00	0.00
7,400.0	88.63	95.91	5,893.3	-183.3	1,772.0	1,781.4	0.00	0.00	0.00
7,500.0	88.63	95.91	5,895.7	-193.6	1,871.4	1,881.4	0.00	0.00	0.00
7,600.0	88.63	95.91	5,898.1	-203.9	1,970.8	1,981.4	0.00	0.00	0.00
7,700.0	88.63	95.91	5,900.5	-214.2	2,070.3	2,081.3	0.00	0.00	0.00
7,800.0	88.63	95.91	5,902.9	-224.4	2,169.7	2,181.3	0.00	0.00	0.00
7,900.0	88.63	95.91	5,905.3	-234.7	2,269.2	2,281.3	0.00	0.00	0.00
8,000.0	88.63	95.91	5,907.7	-245.0	2,368.6	2,381.2	0.00	0.00	0.00
8,100.0	88.63	95.91	5,910.0	-255.3	2,468.0	2,481.2	0.00	0.00	0.00
8,200.0	88.63	95.91	5,912.4	-265.6	2,567.5	2,581.2	0.00	0.00	0.00

Bill Barrett Corp

Planning Report

Database:	Compass	Local Co-ordinate Reference:	Well 16H-27-46 LC Tribal
Company:	BILL BARRETT CORP	TVD Reference:	KB @ 7274.0ft (Original Well Elev)
Project:	DUCHESNE COUNTY, UT (NAD 27)	MD Reference:	KB @ 7274.0ft (Original Well Elev)
Site:	16H-27-46 LC Tribal	North Reference:	True
Well:	16H-27-46 LC Tribal	Survey Calculation Method:	Minimum Curvature
Wellbore:	16H-27-46 LC Tribal		
Design:	Design #1		

Planned Survey										
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)	
8,300.0	88.63	95.91	5,914.8	-275.9	2,666.9	2,681.1	0.00	0.00	0.00	
8,400.0	88.63	95.91	5,917.2	-286.2	2,766.4	2,781.1	0.00	0.00	0.00	
8,500.0	88.63	95.91	5,919.6	-296.4	2,865.8	2,881.1	0.00	0.00	0.00	
8,600.0	88.63	95.91	5,922.0	-306.7	2,965.2	2,981.1	0.00	0.00	0.00	
8,700.0	88.63	95.91	5,924.4	-317.0	3,064.7	3,081.0	0.00	0.00	0.00	
8,800.0	88.63	95.91	5,926.8	-327.3	3,164.1	3,181.0	0.00	0.00	0.00	
8,900.0	88.63	95.91	5,929.2	-337.6	3,263.6	3,281.0	0.00	0.00	0.00	
9,000.0	88.63	95.91	5,931.6	-347.9	3,363.0	3,380.9	0.00	0.00	0.00	
9,100.0	88.63	95.91	5,934.0	-358.2	3,462.4	3,480.9	0.00	0.00	0.00	
9,200.0	88.63	95.91	5,936.4	-368.4	3,561.9	3,580.9	0.00	0.00	0.00	
9,300.0	88.63	95.91	5,938.8	-378.7	3,661.3	3,680.9	0.00	0.00	0.00	
9,400.0	88.63	95.91	5,941.2	-389.0	3,760.8	3,780.8	0.00	0.00	0.00	
9,500.0	88.63	95.91	5,943.6	-399.3	3,860.2	3,880.8	0.00	0.00	0.00	
9,600.0	88.63	95.91	5,946.0	-409.6	3,959.6	3,980.8	0.00	0.00	0.00	
9,700.0	88.63	95.91	5,948.4	-419.9	4,059.1	4,080.7	0.00	0.00	0.00	
9,725.9	88.63	95.91	5,949.0	-422.5	4,084.8	4,106.6	0.00	0.00	0.00	
TD at 9725.9										
9,726.1	88.63	95.91	5,949.1	-422.6	4,085.0	4,106.8	0.00	0.00	0.00	
16H-27-46 LC Tribal PBHL										

Formations					
Measured Depth (ft)	Vertical Depth (ft)	Name	Lithology	Dip (°)	Dip Direction (°)
1,969.0	1,969.0	Green River		1.37	95.91
2,619.0	2,619.0	Mahogany		1.37	95.91
3,689.0	3,689.0	TGR3		1.37	95.91
4,474.0	4,474.0	Douglas Creek		1.37	95.91
4,824.0	4,824.0	3PT MKR		1.37	95.91
5,149.0	5,149.0	Black Shale Facies		1.37	95.91
5,467.4	5,464.0	Castle Peak		1.37	95.91
5,888.0	5,779.0	Uteland Butte		1.37	95.91
6,039.2	5,834.0	CR 1		1.37	95.91
	5,874.0	CR 1A Base		1.37	95.91

Plan Annotations					
Measured Depth (ft)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Comment	
5,291.0	5,291.0	0.0	0.0	Start Build 10.00	
6,177.2	5,863.8	-57.5	556.2	Start 3548.7 hold at 6177.2 MD	
9,725.9	5,949.0	-422.6	4,085.0	TD at 9725.9	

**EASEMENT LEASE AGREEMENT
BILL BARRETT CORPORATION'S
PHASE 9 DEVELOPMENT**

70 1598

**LC Tribal #13H-26-46 and #16-26D-46 Wellsite and Access Road
LC Tribal #13H-23-46 and #16-23D-46 Wellsite, Access Road, and Pipeline Corridor
LC Tribal #16H-27-46 Wellsite, Access Road, and Pipeline Corridor
LC Tribal #13H-34-46 and #16-34D-46 Wellsite, Access Road, and Pipeline Corridor
LC Tribal #15-24D-46 Access Road and Pipeline Corridors
LC Tribal #4H-22-46 Access Road and Pipeline Corridors
#16-25D-37 BTR Access Road, Pipeline, and Powerline Corridors**

**AVINTAQUIN WILDLIFE MANAGEMENT AREA
RABBIT GULCH UNIT OF TABBY MOUNTAIN WILDLIFE MANAGEMENT AREA**

UDWR Easement Lease No. DUCH-1110EA-0232

THIS NON-EXCLUSIVE EASEMENT LEASE AGREEMENT ("Agreement") is made by and between the **Utah Division of Wildlife Resources** whose address is 1594 West North Temple, Suite 2110, Salt Lake City, Utah 84114-6301 (hereafter "**Surface Owner**") and **Bill Barrett Corporation**, whose address is 1099 18th Street, Suite 2300, Denver, Colorado 80202 (hereafter "**Lessee**"). Surface Owner and Lessee are collectively referred to as "**the Parties**". "Easement Lease" means the lease of an easement or right-of-way, for which the purpose, specific use, rights granted, location, term, fees, and other conditions are set forth herein.

EXHIBITS

- A.1 Legal Descriptions of Wellsite Perimeter and Access Road for LC Tribal #13H-26-46 and #16-26D-46 Wellsite
- A.2 Depictions of Wellsite, Access Road, and Pipeline Corridor for LC Tribal #13H-26-46 and #16-26D-46 Wellsite
- B.1 Legal Description of Wellsite Perimeter and Access Road and Pipeline Corridor Centerlines for LC Tribal #13H-23-46 and #16-23D-46 Wellsite
- B.2 Depictions of Wellsite, Access Road, and Pipeline Corridor for LC Tribal #13H-23-46 and #16-23D-46 Wellsite
- C.1 Legal Descriptions of Wellsite Perimeter and Access Road and Pipeline Corridor Centerlines for LC Tribal #16H-27-46 Wellsite
- C.2 Depictions of Wellsite, Access Road, and Pipeline Corridor for LC Tribal #16H-27-46 Wellsite
- D.1 Legal Descriptions of Wellsite Perimeter and Access Road and Pipeline Corridor Centerlines for LC Tribal #13H-34-46 and #16-34D-46 Wellsite
- D.2 Depictions of Wellsite, Access Road, and Pipeline Corridor for LC Tribal #13H-34-46 and #16-34D-46 Wellsite
- E.1 Legal Descriptions of Access Road and Pipeline Corridor Centerlines for LC Tribal #15-24D-46 Wellsite
- E.2 Depictions of Access Road and Pipeline Corridor for LC Tribal #15-24D-46 Wellsite
- F.1 Legal Descriptions of Access Road and Pipeline Corridor Centerlines for LC Tribal #4H-22-46 Wellsite
- F.2 Depictions of Access Road and Pipeline Corridors LC Tribal #4H-22-46 Wellsite
- G.1 Legal Descriptions of Access Road, Pipeline, and Powerline Corridor Centerlines for #16-25D-37 BTR Wellsite
- G.2 Depictions of Access Road, Pipeline, and Powerline Corridors for #16-25D-37 BTR Wellsite
- H Surface Use and Reclamation Plan for Lessee's Phase 9 Development Program, Lake Canyon and Tabby Mountain Areas, Duchesne County, Utah
- I Reclamation Performance Bond Number LPM9062886

SECTION 1 GRANT AND LOCATION OF EASEMENT

- 1.1 Burdened Property.** Surface Owner owns certain real property known to Surface Owner as the Rabbit Gulch Unit of the Tabby Mountain Wildlife Management Area (“WMA”). Surface Owner represents that its purposes and uses of owning said WMA is to provide important habitat for wildlife, and to provide wildlife-based recreation for the general public. Surface Owner grants and conveys to Lessee a nonexclusive easement lease (“Easement”) for four wellsites (“Wellsites” or “Damage Areas”) and supporting access roads, pipelines, and powerline corridors associated with those wellsites and for access roads, pipelines, and powerline corridors associated with wellsites on lands adjacent to the WMA specifically identified herein. The legal descriptions of the wellsite perimeter and the access road, pipeline, and powerline corridors, whichever the case may be, of the portions of the WMA to which Lessee is hereby granted an Easement are set forth in Exhibits A.1, B.1, C.1, D.1, E.1, F.1, and G.1, said property hereafter referred to as “Burdened Property” and approximately depicted in Exhibits A.2, B.2, C.2, D.2, E.2, F.2, and G.2. Lessee shall have a 50-foot wide easement, 25 feet on either side of the pipeline and access road centerlines described respectively in Exhibits A.1, B.1, C.1, D.1, E.1, F.1, and G.1 during the construction of the respective access roads and pipelines, thereafter to be reduced to a 30-foot width, 15 feet on either side of the respective centerlines. Lessee shall have a 150-foot wide easement, 75 feet on either side of the powerline corridor centerline.
- 1.2 Right of Third Parties.** This Easement is subject to all valid interests of third parties. Surface Owner claims title in fee simple, but does not warrant to Lessee the validity of title to the Burdened Property. Lessee shall have no claim for damages or refund against Surface Owner for any claimed failure or deficiency of Surface Owner’s title to said lands, or for interference by any third party.
- 1.3 Surveys, Maps, and Plans.** In executing this Agreement, Surface Owner is relying upon the surveys, plats, diagrams, and/or legal descriptions provided by Lessee. Lessee is not relying upon, and Surface Owner is not making any representations about any surveys, plats, diagrams, and/or legal descriptions provided by Surface Owner.
- 1.4 Headings.** The Headings in this Agreement are for convenience only and are not intended to, and shall not be construed to, limit, enlarge, or affect the scope or intent of this Easement nor the meaning of any of its provisions.

SECTION 2 PURPOSE AND SCOPE OF EASEMENT

- 2.1 Purpose.** This Easement is granted for the purpose of ingress and egress for the construction, installation, operation, maintenance, repair, and replacement as necessary of drill pads, pipelines, access roads, and powerlines, subject to and in accordance with the restrictions and conditions set forth herein, in support of Lessee’s oil and gas operations on the Burdened Property, and for no other purpose. Lessee agrees that it shall not remove from Surface Owner’s property ordinary sand and gravel or wood products of any kind without the appropriate permit or other written authorization from Surface Owner. Any unauthorized use of the Burdened Property shall be considered a material breach of this Agreement.
- 2.2 Number and Kind of Infrastructure.** Under this Agreement, Lessee shall have the right to construct, maintain and repair up to three buried pipelines, not to exceed Thirteen (13) inches in diameter, within each pipeline easement corridors described in Exhibits A.1, B.1, C.1, D.1, E.1, F.1 and G.1. No other difference in the number, kind, or size of permanent structures to be constructed on the Burdened Property shall be allowed from that set forth in this Agreement, except production facilities, storage tanks, and such equipment deemed necessary by Lessee for the production of the wells located on the Burdened Property, said production facilities, storage tanks, and such equipment to be located on the Damage Areas. Paving of any road is expressly prohibited.

- 2.3 Raptor-Safe Construction.** Power lines shall be raptor safe to ensure compliance with the Migratory Bird Treaty Act. Important design components for raptor protection shall include providing adequate separation between conductors and/or grounded hardware, or insulating hardware or conductors against simultaneous contact if such separation is not possible. Perch guards may also be used to prevent larger raptors from landing on the power poles. Specific guidelines are provided the Avian Power Line Interaction Committee's publications, "Mitigating Bird Collisions with Power Lines: The State of the Art in 1994," and, "Suggested Practices for Raptor Protection on Power Lines: The State of the Art in 2006," prepared for the Edison Electric Institute/Raptor Research Foundation, Washington, D.C. In addition, "The Avian Protection Plan Guidelines" (2005) provides a useful toolbox of measures to mitigate the impacts of power lines on raptors. These documents are available at <http://www.aplic.org>.
- 2.4 Exclusivity.** It is expressly understood and agreed that the right herein granted is non-exclusive. Surface Owner hereby reserves the right to issue other non-exclusive easements, leases, or permits on or across the Burdened Property where such uses are appropriate and compatible, or dispose of the property by sale or exchange.
- 2.5 Permittees.** Lessee may permit its respective employees, agents, contractors, licensees, herein individually referred to as "Permittee" and collectively referred to as "Permittees", to exercise the rights granted herein. Acts or omissions of the Permittees operating under this Easement shall be deemed an act of Lessee.
- 2.6 Seasonal Restrictions.**
- (a) Lessee shall not engage in construction activities on the Burdened Property including and between the dates of November 30 to April 15 ("Seasonal Closure").. Lessee shall have the right to enter the Burdened Property during Seasonal Closure for service, maintenance and repair of its production facilities and the wells to the extent that such service, maintenance and repair could not have reasonably been anticipated or could not reasonably be scheduled for dates outside Seasonal Closure.
 - (b) Lessee shall have the right to enter the Burdened Property at any time for emergency activities to prevent environmental damage. Lessee shall notify Surface Owner of such emergency activities in accordance with Section 5 of this Agreement.
 - (c) The Parties agree that, except for emergency activities described in Subsection 2.5(b), should activities for major construction or major maintenance or repair projects during Seasonal Closure be desired by Lessee, the Parties shall consult in good faith to determine how such activities might be accomplished without undue harm to wildlife.
 - (d) The Parties agree that should extraordinary circumstances arise, including extraordinarily inclement weather, during Seasonal Closure wherein activities permitted under this Agreement would result in significant harm or stress to or for wildlife, the Parties shall consult in good faith to determine how that significant harm or stress might be avoided.
 - (e) The Parties agree that should information pertaining to wildlife or vegetation become known to either one or both the Parties, and which would be useful in preventing harm to wildlife or vegetation, the Parties shall consult in good faith to determine how activities allowed under this Agreement might be modified, to the extent the Parties might agree at that time.
 - (f) As described in Section 5 of this Agreement, Lessee shall notify Surface Owner of Lessee's activities in some circumstances.

SECTION 3 TERM AND RENEWAL

- 3.1 Term Defined.** The term of this Easement is thirty (30) years ("Term"), commencing on the date of the last signature affixed to this Agreement, unless earlier terminated, subject to the terms and conditions set forth in this Agreement, and any valid and exiting rights.
- 3.2 Renewal of the Easement.** Lessee shall have the option to renew this Easement and Lessee may exercise this option by providing written notice of its election to renew at any time within six (6) months but not later than (30) days prior to the Termination Date of the Initial Term of this Easement. Lessee shall not be entitled to renew if it is in default under the terms of this Easement or other agreement with Surface Owner at the time the option to renew is exercised. The terms and conditions of any renewal Term shall be re-negotiated under the conditions, rules and laws in effect at the time of renewal. The Parties shall have sixty (60) days to come to agreement on the conditions and value of the easement after Surface Owner's receipt of Lessee's notice of intent to renew. After the aforementioned six-month period, Lessee's option to renew shall be null and void and the Easement shall terminate at the conclusion of this Agreement's Term.

SECTION 4 RENT/ PAYMENTS

All payments are final. There shall be no pro-rata reimbursement of any payments hereunder should the Easement outlined under this Agreement terminate before its Term has lapsed.

4.1

(a) "affiliate" means any entity under common control with Lessee, or under control of Lessee. Control for purposes of this Agreement means 80% or more of the voting interests of the entity being held by the controlling entity.

(b) "joint venturer" means a party to an operating agreement, including pooled parties pursuant to state regulations, with respect to a Wellsite serviced by infrastructure located on the Burdened Property.

- 4.2 Administrative Costs.** In approving a request to apportion, assign, or transfer an interest in this Easement, Surface Owner shall be entitled to charge for administrative costs for approving the transfer.
- 4.3 Non-Waiver.** Surface Owner's acceptance of a payment shall not be construed to be a waiver of any preceding or existing breach other than the failure to pay the particular payment that was accepted.

SECTION 5 NOTIFICATION OF ACTIVITIES

- 5.1** All notifications shall reference the Easement number and the location of Lessee's activity. Notification of activities covered under this Section shall be in writing, which may include email, and be deemed sufficient if made solely to Surface Owner's Northeastern Region Habitat Manager or Petroleum Biologist. The respective time periods required between notification and commencement of activities covered under this Section may be waived in writing, which may include email, by Surface Owner's Northeastern Region Supervisor, Habitat Manager or Petroleum Biologist.
- 5.2** Lessee shall notify Surface Owner:
DUCH-1110EA-0232
WSFR W-96-L and W-113-L

(a) at least Twenty-Four (24) hours prior to any major repair contemplated in Subsection 2.5(a) of Lessee's facilities during Seasonal Closure, if such repair requires the use of heavy equipment such as backhoes or other mechanized earth-moving equipment, heavy boom trucks, or cranes.

(b) within five (5) business days after the start of emergency activities during Seasonal Closure, said activities contemplated in Subsection 2.5(b).

5.3 Regardless of Seasonal Closure restrictions, Lessee shall notify Surface Owner at least three (3) days prior to excavation of any previously reclaimed site, except in cases where such excavation takes place as a result of emergency activities contemplated in Subsection 2.5(b), in which case notification shall take place within five (5) days after the start of emergency activities.

5.4 Should future conditions be such that Surface Owner determines there is little wildlife-monitoring value facilitated by Lessee's prior notification, the Parties may amend this Agreement and terminate the prior notification requirements of this Section, to the extent the Parties may mutually agree in writing at the time.

SECTION 6 CONSTRUCTION, MAINTENANCE AND REPAIR OF EASEMENT AND IMPROVEMENTS AND TRADE FIXTURES

6.1 Lessee's Activities. Lessee shall conduct its construction, maintenance and repair operations in accordance with the Surface Use and Reclamation Plan attached as Exhibit H; however, should any provisions of the Surface Use and Reclamation Plan conflict with any provision set forth in the body of this Agreement, the provision in the body of this Agreement shall govern. Lessee shall promptly repair, at its sole cost, all damages to the Burdened Property, and to any improvements, or natural resources such as soil or vegetation resources, thereon which are caused by Lessee's activities. Lessee shall take all reasonable precautions to protect the Burdened Property and any improvements thereon. Any damage to natural resources which are excessive or unnecessary shall be paid to Surface Owner at a price or cost determined by bids or estimates of the cost of repair. All work performed by Lessee shall be completed in a careful and workman-like manner to Surface Owner's satisfaction, free of any claims or liens. Upon completion of any work performed by Lessee, Lessee shall remove all debris and restore the Burdened Property, as nearly as practicable, to the condition it was in prior to commencement of the work. Lessee shall notify Surface Owner in writing within five (5) days after completion of work, to allow Surface Owner to inspect the work.

6.2 Waste. Lessee shall commit no waste on the Burdened Property and will make reasonable efforts to keep the property clean. Lessee shall not cause any filling activity on the Burdened Property. This prohibition includes any deposit of rock, earth, ballast, refuse, garbage, waste matter (including chemical, biological or toxic wastes), hydrocarbons, any other pollutants, or other matter in or on the Burdened Property, except as provided under this Agreement or approved in writing by Surface Owner. Ordinary waste committed by third parties on the Burdened Property shall be removed by Lessee, at Lessee's cost. If Lessee fails to comply with this subsection, Surface Owner may take any steps reasonably necessary to remedy such failure, subject to the notice and right to cure provisions of Section 11. Upon demand by Surface Owner, Lessee shall pay all costs of such remedial action, including, but not limited to the costs of removing and disposing of any material deposited improperly on the Burdened Property. This section shall not in any way limit Lessee's liability under Section 9 below.

6.3 Weed Control. Lessee shall monitor the Burdened Property for noxious weeds, and shall promptly eradicate, at Lessee's own cost, all noxious weeds on the Burdened Property. Lessee shall also control at its own cost any infestation that has spread beyond the boundaries of the Burdened Property if such infestation is reasonably deemed by Surface Owner to have originated on, and spread from, the Burdened Property as evidenced by

weed colonization on the Burdened Property and patterns of weed colonization local to the Burdened Property. Such weed control shall comply with the Utah Noxious Weed Act, any Administrative Rules promulgated therefrom, and County noxious weed control programs. Lessee shall consult with Surface Owner regarding Lessee's control of noxious weeds on the Burdened Property. All methods of chemical weed control shall require prior review and approval of Surface Owner prior to Lessee implementing said chemical control. No aerial spraying without prior approval by Surface Owner is permitted. All earth-moving equipment shall be thoroughly cleaned of soil and other materials that may harbor noxious weed seeds prior to being moved onto Surface Owner's property. If Lessee fails to take action to control noxious weeds within five (5) days following notice from Surface Owner, Surface Owner may undertake control measures, and Lessee shall reimburse Surface Owner upon demand for all costs incurred in implementing such measures. Lessee will continue to be responsible for noxious weed control on the Burdened Property after termination of the Easement until Surface Owner is satisfied with the results and has in written notification released Lessee from its weed control obligations, which notification shall not be unreasonably withheld.

- 6.4 Installation Specifications.** Where improvements are buried, they shall be buried at a minimum depth of three (3) feet below the surface of the Burdened Property. For installations within roadways, the improvements shall be buried at a minimum depth of three (3) feet below the road surface or three (3) feet below the bottom of the ditch, whichever applies. Surface Owner reserves the right to inspect the open trench during construction to ensure compliance with the installation specifications.
- 6.5 Pre-construction.** Forty-Eight (48) hours prior to commencement of the activities associated with installation of the facilities within the Easement granted herein, Lessee shall notify Surface Owner's Appropriate Regional Habitat Manager to advise of the activities that will occur and an estimated time frame for said activities as depicted on the relevant Exhibit describing said construction on the Burdened Property. Thirty (30) days prior to any subsequent construction or reconstruction by Lessee on the Burdened Property, Lessee shall submit a written plan of construction to Surface Owner's Appropriate Regional Habitat Manager outlining the construction or activity for Surface Owner's approval. During the course of construction, operations, or maintenance, Lessee shall minimize soil erosion and damage to soil. Lessee will not remove any timber or other valuable materials, including, but not limited to, those materials identified or sold as valuable materials, from the Burdened Property until Lessee has received the appropriate permits or other written approval from Surface Owner to remove such valuable materials and has made provisions to compensate Surface Owner for the value of the valuable materials.
- 6.6 Road Maintenance.** Maintenance is defined as work normally necessary to preserve and keep the road in satisfactory and functional repair.
- (a) Lessee herein is responsible for maintaining any roads and access gates on Surface Owner's property used in conjunction with this Agreement; however, the cost of performance of road maintenance and resurfacing shall be allocated on the basis of respective users of said roads. Where one or more authorized party(ies) uses a road, or portion thereof, those parties shall perform or cause to be performed, or contribute or cause to be contributed, that share of maintenance and resurfacing occasioned by such use as hereinafter provided. During periods when a road is being used solely by one party, such party shall maintain that portion of said road so used to the standards equal to or better than those existing at the time use is commenced; provided Surface Owner reserves the right to make reasonable regulations concerning priority of use and maintenance of said roads by it and others.
- (b) During periods when more than one party is using the same road, or any portion thereof, the parties hereto shall meet and establish necessary maintenance provisions. Such provisions shall include, but shall not be limited to:

- (1) The appointment of a maintainer, which may be one of the Parties hereto

or any third party, who will perform or cause to be performed at a reasonable and agreed upon rate the maintenance and resurfacing of the road or the portion thereof being used; and

(2) A method of payment by which each party using said road or a portion thereof, shall pay its pro rata share of the cost incurred by said maintainer in maintaining or surfacing said road or portion thereof.

- 6.7 Road Repair.** Lessee shall repair or cause to be repaired at its sole cost and expense that damage to roads used under this Easement in excess of that caused by normal and prudent usage of said roads. Should damage be caused by an unauthorized user, the cost of repair shall be treated as ordinary maintenance and handled as set forth above. Lessee may add or replace gravel on road surfaces on the Burdened Property, but shall not pave any portion of the road without Surface Owner's written consent.
- 6.8 Road Restoration.** If Lessee fouls the surfacing by dragging earth from sides or other sources across the road and onto the surface portion of the road, Lessee shall resurface that portion so affected at its sole cost and expense. Where the Easement crosses existing roads, Lessee shall restore roads as near as practicable to their original condition, if any damage occurs to those roads during Lessee's use of this Easement.
- 6.9 Road Improvements.** Unless the Parties agree in writing to share the cost of improvements, improvements shall be at the sole expense of the improver.
- 6.10 Road Relocation.** Surface Owner may request the relocation of a road in order to protect wildlife, soil, or vegetation resources or minimize damage thereto, so long as the new location does not unreasonably interfere with Lessee's rights herein. The costs of such relocation shall be divided as negotiated and agreed by the Parties.
- 6.11 Resource Damage.** Lessee shall take all reasonable precautions to protect Surface Owner-owned crops and trees. Lessee shall report to Surface Owner any visible resource damage, illegal dumping, or any other change in condition on the Burdened Property that is observed from Lessee's observations of the Easement.

SECTION 7 INTERFERENCE

Lessee shall exercise its rights under this Agreement so as not to unreasonably interfere with Surface Owner's use of the Burdened Property or with the public's ability to use Surface Owner's lands for purposes of lawful recreation, except during periods of construction of Lessee's facilities. Any improvements and trade fixtures constructed by Lessee on the Burdened Property shall be placed and constructed so as to allow reasonably unobstructed movement over and across the Burdened Property.

SECTION 8 COMPLIANCE WITH LAWS

Lessee shall comply with all applicable laws, including all Surface Owner's rules and regulations, and state, county and municipal laws, ordinances, or regulations in effect. Lessee shall obtain and be in possession of all permits and licenses required for the authorized use of the Easement and shall provide proof of such permits/licenses upon request by Surface Owner.

SECTION 9 ENVIRONMENTAL LIABILITY/RISK ALLOCATION

- 9.1 Definition.** "Hazardous Substance" means any substance which now or in the future becomes regulated or defined under any federal, state, or local statute, ordinance, rule, regulation, or other law relating to human health, environmental protection,

contamination or cleanup, including, but not limited to, the Comprehensive Environmental Response, Compensation and Liability Act of 1980 ("CERCLA"), 42 U.S.C. 9601, et seq.

9.2 Use of Hazardous Substances. Lessee covenants and agrees that Hazardous Substances will not be used, stored, generated, processed, transported, handled, released, or disposed of in, on, under, or above the Burdened Property, except in accordance with all applicable local, state, and federal laws.

9.3 Current Conditions, Duty of Utmost Care, and Duty to Investigate.

(a) Surface Owner makes no representation about the condition of the Burdened Property. Hazardous Substances may exist in, on, under, or above the Burdened Property.

(b) Lessee shall exercise the utmost care with respect to both Hazardous Substances in, on, under, or above the Burdened Property, and any Hazardous Substances that come to be located in, on, under or above the Burdened Property during the Term of this Agreement, along with the reasonably foreseeable acts or omissions of third parties affecting those Hazardous Substances, and the reasonably foreseeable consequences of those acts or omissions. The obligation to exercise utmost care under this Subsection 9.3 includes, but is not limited to, the following requirements:

(1) Lessee shall not undertake activities that will cause, contribute to, or exacerbate contamination of the Burdened Property;

(2) Lessee shall not undertake activities that damage or interfere with the operation of remedial or restoration activities on the Burdened Property;

(3) Lessee shall not undertake any activities that result in the mechanical or chemical disturbance of Burdened Property habitat mitigation, except as reasonably necessary for Lessee's use and occupancy of the Burdened Property, and in such instances will notify Surface Owner prior to undertaking such activities; and

(4) Lessee shall allow access to the Burdened Property by employees and authorized agents of the Environmental Protection Agency, the State of Utah or other similar environmental agencies.

(c) It shall be Lessee's obligation to gather sufficient information to its satisfaction concerning the Burdened Property and the existence, scope and location of any Hazardous Substances on the Burdened Property, or on adjoining property (to the extent reasonably discoverable or ascertainable), as required for Lessee to effectively meet its obligations to comply with all applicable laws regarding such Hazardous Substances.

9.4 Notification and Reporting.

(a) Lessee shall immediately notify Surface Owner if Lessee becomes aware of any of the following:

(1) A release or threatened release of Hazardous Substances in, on, under or above the Burdened Property, any adjoining property, or any other property subject to use by Lessee in conjunction with its use of the Burdened Property;

(2) Any actual or alleged violation of any federal, state, or local statute, ordinance, rule, regulation, or other law pertaining to Hazardous Substances with respect to the Burdened Property, any adjoining property, or any other property subject to use by Lessee in conjunction with its use of the Burdened Property, in the event Lessee observes or is notified of such violations;

(3) Any lien or action with respect to any of the foregoing; or

(4) Any notification from the U.S. Environmental Protection Agency (EPA) or the State of Utah that remediation or removal of Hazardous Substances is or may be required at the Burdened Property.

(b) Lessee shall, at Surface Owner's request, provide Surface Owner with copies of all reports, studies, or audits which pertain to the Burdened Property, and which are or were prepared by or for Lessee and submitted to any federal, state, or local authorities as required by any federal, state, or local permit, license, or law. These reports or permits may include, but are not limited to, any National or State Pollution Discharge Elimination System Permit, any Army Corps of Engineers permit, any Hydraulics Project Approval or any Water Quality Certification.

9.5 Indemnification. Lessee shall fully indemnify, defend, and hold Surface Owner, its director, managers, employees and agents harmless from and against any and all claims, demands, damages, damages to natural resources such as soil, water, vegetation, and wildlife, response costs, remedial costs, cleanup costs, losses, liens, liabilities, penalties, fines, lawsuits, other proceedings, costs, and expenses (including attorney's fees and disbursements), that arise out of or are in any way related to:

(a) The use, storage, generation, processing, transportation, handling, or disposal of any Hazardous Substance by Lessee, its contractors, agents, employees, guests, invitees, or affiliates in, on, under, or above the Burdened Property, any adjoining property, or any other property subject to use by Lessee in conjunction with its use of the Burdened Property, during the term of this Easement or during any time when Lessee occupies or occupied the Property.

(b) The release or threatened release of any Hazardous Substance in, on, under, or above the Burdened Property, any adjoining property, or any other property subject to use by Lessee in conjunction with its use of the Burdened Property, which release or threatened release occurs or occurred during the term of this Easement or during any time when Lessee occupies or occupied the Burdened Property or any such other property and as a result of:

- (1) Any act or omission of Lessee, its contractors, agents, employees, guests, invitees, or affiliates; or
- (2) Any reasonably foreseeable act or omission of a third party unless Lessee exercised the utmost care with respect to the reasonably foreseeable acts or omissions of the third party and the reasonably foreseeable consequences of those acts or omissions.

(c) A breach of the obligations of Subsection 9.3, above, by Lessee, its contractors, agents, employees, guests, invitees, or affiliates.

9.6 Cleanup. If a release of Hazardous Substances occurs in, on, under, or above the Burdened Property or other Surface Owner-owned property arising out of any action, inaction, or event described or referred to in Subsection 9.5 above, Lessee shall, at its sole expense, promptly take all actions necessary or advisable to clean up the Hazardous Substances. Cleanup actions shall include, without limitation, resource restoration, mitigation, removal, containment and remedial actions and shall be performed in accordance with all applicable laws, rules, ordinances, and permits. Lessee's obligation to undertake a cleanup of the Burdened Property under this Subsection 9.6 shall be limited to those instances where the Hazardous Substances exist in amounts that exceed the threshold limits of any applicable federal, state and local regulatory cleanup standards, or where it is determined that there will be continuing damages to natural resources in the absence of a cleanup action. Lessee shall also be solely responsible for all cleanup, administrative, and enforcement costs of governmental agencies, including natural resource damage claims arising out of any action, inaction, or event described or referred to in Subsection 9.5, above. Lessee may take reasonable and appropriate actions without advance approval in emergency situations.

9.7 Sampling by Surface Owner, Reimbursement, and Split Samples.

(a) Surface Owner may conduct sampling, tests, audits, surveys or investigations ("Tests") of the Burdened Property at any time to determine the existence, scope, or effects of Hazardous Substances on the Burdened Property, any adjoining property, or any other property subject to use by Lessee in conjunction with its use of the Burdened Property. If such Tests indicate the existence, release or threatened release of Hazardous Substances arising out of any action, inaction, or event described or referred to in Subsection 9.5, above, Lessee shall promptly reimburse Surface Owner for all costs associated with such Tests.

(b) Surface Owner's ability to seek reimbursement for any Tests under this Subsection shall be conditioned upon Surface Owner providing Lessee written notice of its intent to conduct any Tests at least thirty (30) calendar days prior to undertaking such Tests, unless such Tests are performed in response to an emergency situation, in which case Surface Owner shall only be required to give such notice as is reasonably practical.

(c) Lessee shall be entitled to split samples of any Test samples obtained by Surface Owner. The additional cost of any split samples shall be borne solely by Lessee. Any additional costs Surface Owner incurs by virtue of Lessee's split sampling shall be reimbursed to Surface Owner within thirty (30) calendar days after a bill for such costs is sent to Lessee.

9.8 Contamination Investigation.

(a) If Surface Owner has reason to believe that a release or threatened release of Hazardous Substances has occurred on the Burdened Property during Lessee's occupancy, Surface Owner may require Lessee to conduct a Closeout Environmental Assessment (Closeout Assessment) by providing Lessee with written notice of this requirement no later than ninety (90) calendar days prior to the Easement termination date, or within ninety (90) days of any valid notice to terminate the easement earlier than originally agreed. The purpose of the Closeout Assessment shall be to determine the existence, scope, or effects of any Hazardous Substances on the Burdened Property and any associated natural resources. If the initial results of the Closeout Assessment disclose the existence of Hazardous Substances that may have migrated to other property, Surface Owner may require additional Closeout Assessment work to determine the existence, scope, and effect of any Hazardous Substances on adjoining property, any other property subject to use by Lessee in conjunction with its use of the Burdened Property, or on any associated natural resources. The Closeout Assessment may include Sediment Sampling as well as any additional testing requirements Surface Owner may require based on changes in scientific, statutory, or regulatory standards for information concerning the activities of Lessee, its contractors, agents, employees, guests, invitees, or affiliates.

(b) Prior to undertaking the Closeout Assessment, Lessee shall submit a proposed plan in writing for Surface Owner's approval. The plan shall be provided to Surface Owner within thirty (30) days of Surface Owner's notice requiring the Closeout Assessment. If Surface Owner fails to respond in writing, either approving or disapproving of the proposed plan, within thirty (30) days of its receipt, the proposed plan shall be deemed approved. Lessee shall be responsible for all costs required to complete planning, sampling, analyzing, and reporting associated with the Closeout Assessment.

9.9 Reservation of Rights. The Parties have agreed to allocate certain environmental liabilities by the terms of Section 9. With respect to those environmental liabilities covered by the indemnification provisions of Subsection 9.5, that subsection shall exclusively govern the allocation of those liabilities. With respect to any environmental liabilities not covered by Subsection 9.5, the Parties expressly reserve and do not waive or relinquish any rights, claims, immunities, causes of action or defenses relating to the presence, release, or threatened release of Hazardous Substances in, on, under or above the Burdened Property, any adjoining property or any other property subject to use by Lessee in conjunction with its use of the Burdened Property that either Party may have

against the other under federal, state or local laws, including but not limited to, CERLCA, MTCA, and the common law. No right, claim, immunity, or defense either party may have against third parties is affected by this Easement and the Parties expressly reserve all such rights, claims, immunities, and defenses. The allocations of risks, liabilities, and responsibilities set forth above do not release Lessee from or affect Lessee's liability for claims or actions by federal, state, or local regulatory agencies concerning Hazardous Substances.

- 9.10 Impacts to Wildlife.** Lessee, its employees, contractors, successors and assigns shall make reasonable and good faith efforts to protect any legally protected wildlife to the best of their knowledge and ability. Lessee shall report to Surface Owner any harm or threats to harm or harass any legally protected wildlife should Lessee become aware of such harm or threats to harm or harass legally protected wildlife in the ordinary course of its operations on the Burdened Property.

SECTION 10 PRESERVATION OF SURVEY CORNERS

Lessee shall exercise reasonable care to ensure that all legal land subdivision survey corners and witness objects are preserved. If any survey corners or witness objects are destroyed or disturbed by Lessee, Lessee shall reestablish them by a registered professional engineer or licensed land surveyor in accordance with US General Land Office standards, at Lessee's own expense. Corners and/or witness objects that must necessarily be disturbed or destroyed in the process of construction of improvements and trade fixtures must be adequately referenced and/or replaced in accordance with all applicable laws and regulations in force at the time. The references must be approved by Surface Owner prior to removal of the survey corners and/or witness objects.

SECTION 11 TERMINATION OF EASEMENT

- 11.1 Termination for Cause.** This Easement shall terminate if Lessee receives notice from Surface Owner that Lessee is in material breach of this Easement and Lessee fails to cure that breach within ninety (90) days of Surface Owner's notice, or such longer period as may be required under the circumstances as approved by Surface Owner. If the breaching party fails to correct such breach or fails to diligently undertake efforts to cure such breach within such period, Surface Owner may terminate this Easement without further notice; provided, however, such termination shall not release the breaching party from liability for damage prior to such termination. In addition to terminating this Easement, Surface Owner shall have any other remedy available to it. Surface Owner's failure to exercise its right to terminate at any time shall not waive Surface Owner's right to terminate for any future breach.

- 11.2 Termination for Non-Use.**

(a) Lessee shall submit to Surface Owner a summary report of Lessee's use of the Easement within thirty (30) days of the first anniversary of this Agreement, and an annual report thereafter, along with a fee of One Hundred Dollars (\$100) for Surface Owner's administration of this Easement; Surface Owner reserves the right to recoup from Lessee additional reasonable administrative costs if Surface Owner's costs are significantly in excess of One Hundred Dollars (\$100).

(b) Any portion of the Easement that is determined to be unused or abandoned pursuant to this paragraph shall terminate. Lessee shall upon request of Surface Owner execute a release of interest in the portion abandoned under the provisions of this Section. Under the non-use clause, Lessee shall be responsible for surface reclamation and restoration of the Burdened Property in accordance with Section 12 of this Agreement. Any portion of this Easement that is so described by the following conditions shall be deemed to be unused and abandoned:

(1) Within 365 days of the date of execution of this Agreement, Lessee fails to commence construction and installation of the infrastructure authorized under this Easement, unless otherwise waived by Surface Owner in writing;

(2) Within two (2) years of the date of execution of this Agreement, Lessee does not obtain production of oil or gas from Lessee's oil and gas interests which relate to the Burdened Property, unless otherwise waived by Surface Owner in writing; or

(3) If after establishing production, Lessee suspends production or operations for the drilling or reworking of a well on Lessee's oil and gas interests for a period longer than thirty-six (36) consecutive months, unless otherwise waived by Surface Owner in writing.

11.3 Voluntary Termination. This Easement may also terminate as to all or part of the Burdened Property if Lessee has satisfied its outstanding obligations as to the part to be relinquished, provides Surface Owner with sixty (60) days written notice of its intent to terminate, and executes a release of interest to the portion terminated in recordable form. Lessee shall not be entitled to a refund for any relinquishment.

11.4 Lessee's Obligations. Lessee obligations not fully performed upon termination shall continue until fully performed.

SECTION 12. RECLAMATION

12.1 Timing. As soon as practicable, following the construction of improvements and trade fixtures, or termination of the Easement, all disturbed land, other than access road driving surfaces for those portions of the Easement not terminated, will be recontoured to the approximate natural contours.

12.2 Soil. During construction of access roads, pipelines, and powerlines, any and all topsoil moved or removed will be stockpiled and preserved for present and future project area restoration. Soil from the right of way shall not enter any live stream or open water.

12.3 Revegetation. Lessee will re-establish a successful vegetation cover by reseeding with a seed mixture of shrubs, forbs, and grasses, as specified by Surface Owner. Lessee will not be released from this obligation until Surface Owner has inspected the site for two (2) years following construction and reclamation, and has made a determination that the re-vegetation is successful, or such time thereafter until re-vegetation has become successful.

12.4 Unauthorized Travel. In consultation with Surface Owner, Lessee will undertake reasonable measures, including the placement of signage, cattle guards, trenches, barrier rock or other obstacles, to restrict unauthorized motorized travel, including that of third parties, on or across the Burdened Property. If such measures are not effective in controlling unauthorized motorized travel, Lessee will consult with Surface Owner on additional measures that may be required to restrict such unauthorized motorized travel on the Burdened Property.

12.5 Failure to Reclaim. Surface Owner shall have the right, subject to at least sixty (60) days prior notice and a right to cure, to use funds from Lessee's surety bond to complete reclamation or restoration if Lessee fails to do so.

SECTION 13 OWNERSHIP AND REMOVAL OF IMPROVEMENTS, TRADE FIXTURES, AND EQUIPMENT

13.1 Improvements. No Lessee-Owned improvements, other than appurtenances for the rights herein granted, shall be placed on the Burdened Property without Surface Owner's prior written consent.

- 13.2 Ownership of Improvements and Trade Fixtures.** Except as provided herein, Lessee shall retain ownership of all improvements and trade fixtures it may place on the Burdened Property (collectively "Lessee Owned Improvements"). Lessee-Owned Improvements shall not include any construction, reconstruction, alteration, or addition to any Unauthorized Improvements as defined in Subsection 13.5 below.
- 13.3 Construction.** Issuance of this Easement shall constitute authorization to undertake the initial construction work specified in that agreement without the need for further notice. Subsequent alterations, significant repairs, or new construction shall require advance notice to Surface Owner as contemplated in Section 5.
- 13.4 Removal.** Lessee-Owned improvements and trade fixtures that have been installed above or below ground shall be removed by Lessee by the Termination Date unless Surface Owner notifies Lessee in writing that such may remain. If Surface Owner elects to have such above ground improvements remain on the Burdened Property after the Termination Date, they shall become the property of Surface Owner without payment by Surface Owner. If Lessee wishes to leave improvements on the Burdened Property upon expiration of the Easement, Lessee shall notify Surface Owner of such intent at least one hundred eighty (180) days before the Termination Date. Surface Owner shall then have ninety (90) days in which to notify Lessee whether Surface Owner elects to have the improvements removed or to have them remain. Failure to notify Lessee shall be deemed an election by Surface Owner for the improvements to be removed from the Burdened Property. If the improvements remain on the Burdened Property after the Termination Date without Surface Owner's actual or deemed consent, Surface Owner may remove them at Lessee's expense. Surface Owner may require Lessee to abandon improvements and/or trade fixtures, rather than remove them. Such abandonment shall be undertaken in accordance with a plan approved by Surface Owner. Abandonment of buried facilities should be performed in accordance with the appropriate regulations and any applicable permits. Should Surface Owner elect to allow any part of Lessee's improvements or trade fixtures to remain affixed to the Burdened Property, Lessee shall make a diligent and good-faith effort to clean the improvements or trade fixtures using the best industry practices and technologies available at the time, as directed by Surface Owner, in order to minimize as much as reasonably practical, environmental contaminants left on or in the Burdened Property.
- 13.5 Unauthorized Improvements.** Improvements made on the Burdened Property without Surface Owner's prior written consent are not authorized ("Unauthorized Improvements"). Surface Owner may, at its option, require Lessee to sever, remove, and dispose of them or allow them to remain upon amendment of this Agreement, at which time all provisions of this Agreement shall apply to the Unauthorized Improvements unless otherwise explicitly stated in the amendment. If Lessee fails to remove an Unauthorized Improvement within sixty (60) days of notification by Surface Owner, Surface Owner may remove the Unauthorized Improvements and charge Lessee for the cost of removal and disposal.

SECTION 14 INDEMNITY

Lessee agrees to protect, indemnify, save and hold harmless Surface Owner, its agents and employees, from and against all claims, demands, damages, and causes of action of every kind or character on account of bodily injuries, death, or damage to property arising because of, for, out of, or in any way connected with the performance of Lessee under this Agreement, except where such injury, death, or damage has resulted from the sole negligence of Surface Owner without negligence or willful act on the part of Lessee, its agents, employees, or subcontractors. Lessee shall defend all suits brought upon such claims and pay all costs and expenses incidental thereto, but Surface Owner shall have the right, at its option, to participate in the defense incidental thereto without relieving Lessee of any obligation hereunder. Lessee's liability to Surface Owner for hazardous substances, and its obligation to indemnify, defend, and hold Surface Owner harmless for hazardous substances, shall be governed exclusively by Section 9.

SECTION 15 FINANCIAL SECURITY

15.1 Bonding. At its own expense, Lessee shall procure and maintain a non-cancellable corporate surety bond or provide other financial security satisfactory to Surface Owner (the "Bond") in an amount equal to One Hundred Fifty-Six Thousand Nine Hundred Ninety-Nine Dollars (\$156,999.00), said amount equivalent to One-Hundred and Fifteen percent (115%) of the estimated costs of reclamation of the Burdened Property and surrounding property affected by Lessee's development activities thereon, which shall secure Lessee's full performance of its obligations under this Agreement. The amount of this bond shall not be deemed to limit any liability of Lessee. The Bond shall be in a form and issued by a surety company acceptable to Surface Owner. Lessee shall maintain the Bond so long as it uses the Easement. The Bond shall be in effect even if Lessee has conveyed all or part of the easement interest to a sublessee, assignee, or subsequent operator until Lessee fully satisfies its obligations, or until the Bond is replaced with a new bond posted by the sublessee assignee or subsequent operator. Said Bond at the date of execution of this Agreement is issued by Fidelity and Deposit Company of Maryland and is identified as Bond Number LPM9062886 (see Exhibit I).

15.2 Bond Increase. Lessee agrees that, for the causes stipulated below, at any time during the term of this Easement, Surface Owner may require that the amount of an existing Bond be increased in a sum described below, said Bond to be conditioned upon full compliance with all terms and conditions of this Agreement and the rules relating hereto.

(a) **Inflation.** Surface Owner has the option of requiring the value of the Bond to be adjusted to compensate for inflationary pressures on the dollar. The amount of adjustment shall be determined through the use of the Bureau of Labor Statistics Western Region Urban Consumer Price Index ("Western Region CPI-U"). Said adjustments shall reference the year 2011 Western Region CPI-U, and shall be directly proportional to the percent change in Western Region CPI-U between the year 2011 and the year preceding the date of adjustment.

(b) **Additional Improvements.** Surface Owner has the option of requiring increases in the Bond value for additional improvements authorized under amendments to this Agreement, the increases to be in an amount equivalent to 115% of the estimated costs of reclamation of the Burdened Property and surrounding property affected by Lessee's development activities thereon.

15.3 Default. Upon any default by Lessee in its obligations under this Agreement, Surface Owner may collect on the Bond to offset the liability of Lessee to Surface Owner, subject to the notice and right to cure provisions in Sections 11 and 12 herein. Collection on the Bond shall not relieve Lessee of liability, shall not limit any of Surface Owner's other remedies, and shall not rein Surface Owner or cure the default or prevent termination of the Easement because of the default. Should the cost of Lessee's obligations exceed the value of the Bond, Lessee, it's successors and assigns, shall be liable for the costs over and above the bonded amount.

SECTION 16 TAXES AND ASSESSMENTS

Lessee shall promptly pay all taxes, assessments and other governmental charges of any kind whatsoever levied as a result of this Easement or relating to Lessee's improvements and trade fixtures constructed pursuant to this Easement.

SECTION 17 ADVANCES BY SURFACE OWNER

If Surface Owner advances or pays any costs or expenses for or on behalf of Lessee, including, but not limited to taxes, assessments, insurance premiums, costs of removal and disposal of unauthorized materials, costs of removal and disposal of improvements and trade fixtures, or other amounts not paid when due, Lessee shall reimburse Surface Owner the amount paid and shall pay interest on such amount at the rate of one percent (1%) per month from the date Surface Owner notifies Lessee of the advance or payment.

SECTION 18 NOTICE

Except as provided in Section 5 of this Agreement, any notices required or permitted under this Agreement shall be in writing and personally delivered or mailed by certified mail, return receipt requested, to the following addresses or to such other places as the parties may direct in writing from time to time:

Surface Owner

Habitat Section

Utah Division of Wildlife Resources
1594 West North Temple, Suite 2110
Salt Lake City, Utah 84114-6301

AND

Habitat Section

Utah Division of Wildlife Resources
152 East 100 North, Suite 9
Vernal, Utah 84078

Lessee

Bill Barrett Corporation
Attn: Huntington T. Walker
Sr. Vice President – Land
1099 18th St., Suite 2300
Denver, Colorado 80202

A notice shall be deemed given and delivered upon personal delivery, upon receipt of a confirmation report if delivered by facsimile machine, email or three (3) days after being mailed as set forth above, whichever is applicable.

SECTION 19 RESERVATIONS

Surface Owner, its successors and assigns, reserves all ownership of the Burdened Property and profits thereon, and the right of use for any and all purposes that do not unreasonably interfere with the rights granted herein, including the right to keep the Burdened Property open for public use for recreation; the right to remove profits from the Burdened Property; the right at all times to cross and recross the Burdened Property at any place on grade or otherwise; and the right to use the Easement for access to and from the lands owned by Surface Owner on both sides of the Easement. Surface Owner may grant to third parties any and all rights reserved. Once Lessee clears or removes any vegetation on the Burdened Property as provided in this Agreement, vegetation that is subsequently grown in such cleared areas shall belong to Surface Owner.

SECTION 20 CULTURAL RESOURCES

It is hereby understood and agreed that all treasure-trove, all articles of antiquity, and critical paleontological resources in or upon the Burdened Property or adjacent lands belonging to Surface Owner are and shall remain the property of Surface Owner. Lessee agrees that all costs associated with archeological and paleontological investigations on

the Burdened Property that may be required by Surface Owner will be borne by Lessee. Lessee further agrees to cease all activity on the subject lands and immediately notify Surface Owner if any discovery of human remains or a "site" or "specimen," as defined in Section 9-8-302 or 63-73-1 Utah Code Annotated (1953), as amended, is made on the Burdened Property, and continue to cease all construction or maintenance therein until such time as the human remains, "site" or "specimen" in question has been treated to the satisfaction of Surface Owner.

SECTION 21 ASSIGNMENT

- 21.1 Consent of Surface Owner.** Lessee shall not hypothecate, mortgage, assign, transfer or otherwise alienate this Easement, or any interest therein, without the prior written consent of Surface Owner, which shall not be unreasonably withheld. In no case shall such consent operate to relieve Lessee of the responsibilities or liabilities assumed by Lessee hereunder, or be given unless such party is acceptable to Surface Owner and assumes in writing all of the obligations of Lessee under the terms of this Agreement as to the balance of the term thereof, or acquires the rights in trust as security and subject to conditions such as Surface Owner deems necessary. A sublease, conveyance, or assignment must be a sufficient legal instrument, properly executed and acknowledged, and should clearly set forth the easement lease contract number, lands involved, and the name and address of the assignee, and shall include any agreement which transfers control of the Easement to a third party. A copy of the documents subleasing, conveying, or assigning the interest shall be given to Surface Owner prior to Surface Owner's approval or denial of the assignment.
- 21.2 Assignee.** Any assignment shall be in keeping with the purposes of this Easement and may only be made to a party qualified to do business in the State of Utah, and which has authority to operate the said facilities, and which is not in default under the laws of the State of Utah relative to qualification to do business within the State, and is not in default on any previous obligation to Surface Owner.
- 21.3 Costs of Assignment.** A sublease, conveyance, or assignment may not be approved without reimbursement of Surface Owner's administrative costs associated with said sublease, conveyance, or assignment; and payment of the difference between what was originally paid for the permit, lease, or contract and what the division would charge for the permit, lease, or contract at the time the application for sublease, conveyance, or assignment is submitted.
- 21.4 Effective Date of Assignment.** A sublease, conveyance, or assignment shall take effect on the date of Surface Owner's approval of the assignment. On the effective date of any assignment, the assignee is bound by the terms of the lease to the same extent as if the assignee were the original grantee, any conditions in the assignment to the contrary notwithstanding.
- 21.5 Non-Waiver.** The consent of Surface Owner to any one assignment shall not constitute a waiver of Surface Owner's right to consent to subsequent assignments, nor shall consent of Surface Owner to any one assignment relieve any party previously liable as Lessee from any obligations under this Agreement. The acceptance by Surface Owner of payment of rent following an assignment shall not constitute consent to any assignment and Surface Owner's consent shall be evidenced only in writing.

SECTION 22 SUCCESSORS AND ASSIGNS

This Agreement shall be binding upon and inure to the benefit of the parties, their successors and assigns and shall be a covenant running with the land.

SECTION 23 TIME IS OF THE ESSENCE

TIME IS OF THE ESSENCE as to each and every provision of this Agreement.

SECTION 24 RECORDATION

Lessee shall record this Agreement in the counties in which the Burdened Property is located, at Lessee's sole expense. Lessee shall provide Surface Owner a copy of the public recording. Lessee shall have ninety (90) days from the date of delivery of the final executed Agreement to comply with the requirements of this Section.

SECTION 25 APPLICABLE LAW AND VENUE

This Agreement shall be interpreted and construed in accordance with and shall be subject to the laws of the State of Utah. Any reference to a statute shall mean that statute as presently enacted or hereafter amended or superseded. Lessee consents to suit in the courts of the State of Utah in any dispute arising under the terms of this Agreement or as a result of operations carried on under this Agreement. Service of process in any such action is hereby agreed to be sufficient if sent by registered mail to Lessee at the last known address of Lessee appearing in the records of Surface Owner. Lessee agrees for itself and its successors and assigns that any suit brought by Lessee, its successors or assigns concerning this Agreement may be maintained only in the Utah State District Court of Salt Lake County. In the event of any litigation arising under this Agreement, the prevailing party shall be entitled to recover its costs and reasonable attorneys' fees incurred in connection with the litigation, including any appeals.

SECTION 26 MODIFICATION

Any modification of this Agreement must be in writing and signed by the parties. Surface Owner or Lessee shall not be bound by any oral representations of Surface Owner or Lessee. Authorized signatures for Surface Owner may be provided only by the Director or the Director's designee.

SECTION 27 SURVIVAL

Any obligations which are not fully performed upon termination of this Easement shall not cease, but shall continue as obligations until fully performed.

SECTION 28 WAIVER

No Waiver of Conditions by Surface Owner of any default of Lessee or failure of Surface Owner to timely enforce any provision of this Agreement shall constitute a waiver of or constitute a bar to subsequent enforcement of the same or other provisions of this Agreement. No provision in this Agreement shall be construed to prevent Surface Owner from exercising any legal or equitable remedy it may have.

SECTION 29 WATER RIGHTS

Lessee shall not file an application to appropriate water from the surface or subsurface of Surface Owner's lands unless the application is approved by Surface Owner in writing and is filed in the name of the Surface Owner. All water structures, including impoundment, diversion and conveyance structures or works, used to impound, divert or convey water claimed solely under a Surface Owner water right shall be the property of Surface Owner.

SECTION 30 INVALIDITY

If any provision of this Agreement proves to be invalid, void, or illegal, it shall in no way affect, impair, or invalidate any other provision of this Agreement.

IN WITNESS WHEREOF, the Parties have executed this Agreement, effective on the date of the last signature below.

SURFACE OWNER

STATE OF UTAH
DEPARTMENT OF NATURAL
RESOURCES, DIVISION OF WILDLIFE
RESOURCES

By: [Signature]
James F. Karpowitz **ACTING DIRECTOR**
Director of Wildlife Resources

Date: 5/1/12

LESSEE

BILL BARRETT CORPORATION

By: [Signature]
Huntington T. Walker
Sr. Vice President - Land
Bill Barrett Corporation

Date: _____


Funding Approvals:
Division of Wildlife Resources Fiscal
Management

By: [Signature]
Linda Braithwaite
Budget Officer

Date: 4/30/12

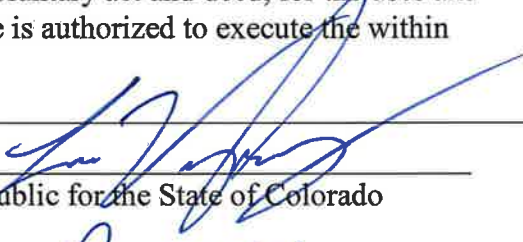
STATE OF UTAH)
) SS.
COUNTY OF SALT LAKE)

On this 1st day of May, 2012 personally appeared before me James F. Karpowitz, who being first duly sworn/said that he is the Director of the Division of Wildlife Resources for the State of Utah, that the foregoing instrument was executed pursuant to authority granted him by The Wildlife Resource Code of Utah (23-21-1), and he acknowledged to me that he executed the same.

 <p>THU ANH VO-WOOD Notary Public State of Utah My Commission Expires Sept. 20, 2015 #643527</p>	<p><u>[Signature]</u> Notary Public for the State of Utah Residing at <u>Salt Lake</u> My commission expires <u>9/20/2015</u></p>
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STATE OF COLORADO)
CITY AND) SS.
COUNTY OF DENVER)

On this 20th day of April, 2012, personally appeared before me Huntington T. Walker to me known to be the Sr. Vice President – Land of Bill Barrett Corporation who executed the within and foregoing instrument, and acknowledged that the execution of the document herein was his free and voluntary act and deed, for the uses and purposes therein mentioned, and gave an oath that he is authorized to execute the within instrument for said corporation.

<div>LEE VASKEY NOTARY PUBLIC STATE OF COLORADO MY COMMISSION EXPIRES 10/16/2013</div>	<div> _____ Notary Public for the State of Colorado Residing at <u>Denver, CO</u> _____ My commission expires _____</div>
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Returned Unappr

SURFACE USE PLAN

BILL BARRETT CORPORATION

LC Tribal 16H-27-46 Well Pad

SW SW, 1241' FSL and 328' FWL, Section 27, T4S-R6W (Surface)

SE SE, 800' FSL and 800' FEL, Section 27, T4S-R6W (Btm Hole)

Duchesne County, Utah

The onsite inspection for this pad occurred on June 28, 2012. This is a new pad with one proposed well on Utah Division of Wildlife Resources (UDWR) surface and Ute Indian Tribe minerals. Site specific stipulations requested at the onsite are reflected within this APD and summarized below.

- 1) December 1 to April 15 wintering big game timing restriction;

The excavation contractor would be provided with an approved copy of the surface use plan of operations before initiating construction.

1. Existing Roads:

- a. The proposed well site is located 12.6 miles southwest of Duchesne, Utah. Maps and directions reflecting the route to the proposed well site are included (see Topographic maps A and B).
- b. The existing State Highway 191 would be utilized from Duchesne for 3.5 miles to the existing Duchesne County maintained road that would be utilized for 6.6 miles to an existing road that would be utilized for 2.5 miles and provides access to the planned new access road.
- c. Project roads would require routine year-round maintenance to provide year-round access. Maintenance would include inspections, reduction of ruts and holes, maintenance to keep water off the road, replacement of surfacing materials, and clearing of sediment blocking ditches and culverts. Should snow removal become necessary, roads would be cleared with a motor grader and snow would be stored along the down gradient side to prohibit runoff onto the road. Aggregate would be used as necessary to maintain a solid running surface and minimize dust generation.
- d. Vehicle operators would obey posted speed restrictions and observe safe speeds commensurate with road and weather conditions. Travel would be limited to the existing access roads and proposed access road.
- e. The use of roads under State and Duchesne County Road Department maintenance are necessary to access the project area with no improvements proposed.

- f. All existing roads would be maintained and kept in good repair during all phases of operation.

2. Planned Access Road:

- a. Approximately 54 feet of new access road trending east is planned from an existing road (see Topographic Map B). The proposed access road crosses entirely UDWR surface.
- b. The planned access road would be constructed to a 30-foot ROW width with an 18-foot travel surface. See section 12.d. below for disturbance estimates.
- c. New road construction and improvements of existing roads would typically require the use of motor graders, crawler tractors, 10-yard end dump trucks, and water trucks. The standard methodology for building new roads involves the use of a crawler tractor or track hoe to windrow the vegetation to one side of the road corridor, remove topsoil to the opposing side of the corridor, and rough-in the roadway. This is followed by a grader or bulldozer to establish barrow ditches and crown the road surface. Where culverts are required, a track hoe or backhoe would trench the road and install the culverts. Some hand labor would be required when installing and armoring culverts. Road base or gravel in some instances would be necessary and would be hauled in and a grader used to smooth the running surface.
- d. The proposed road would be constructed to facilitate drainage, control erosion and minimize visual impacts by following natural contours where practical. No unnecessary side-casting of material would occur on steep slopes.
- e. A maximum grade of 10% would be maintained throughout the project with minimum cuts and fills, as necessary, to access the well.
- f. Excess rock from construction of the pad may be used for surfacing of the access road if necessary. Any additional aggregate necessary would be obtained from private or State of Utah lands in conformance with applicable regulations. Aggregate would be of sufficient size, type, and amount to allow all weather access and alleviate dust.
- g. Where topsoil removal is necessary, it would be windrowed (i.e. stockpiled/accumulated along the edge of the ROW and in a low row/pile parallel with the ROW) and re-spread over the disturbed area after construction and backfilling are completed. Vegetation removed from the disturbed area would also be re-spread to provide protection, nutrient recycling, and a seed source for reclamation.
- h. Turnouts are not proposed.

- i. No culverts or low-water crossings are anticipated. Adequate drainage structures, where necessary, would be incorporated into the remainder of the road to prevent soil erosion and accommodate all-weather traffic.
- j. No gates or cattle guards are anticipated at this time.
- k. Surface disturbance and vehicular travel would be limited to the approved location access road. Adequate signs would be posted, as necessary, to warn the public of project related traffic.
- l. All access roads and surface disturbing activities would conform to the appropriate standard, **no higher than necessary**, to accommodate their intended function adequately as outlined in the Bureau of Land Management and Forest Service publication: Surface Operating Standards for Oil and Gas Exploration and Development, Fourth Edition – Revised 2007.
- m. The operator would be responsible for all maintenance needs of the new access road.

3. Location of Existing Wells (see One-Mile Radius Map)

- a. Following is a list of wells with surface hole locations within a one-mile radius of the proposed pad:
 - i. water wells none
 - ii. injection wells none
 - iii. disposal wells none
 - iv. drilling wells none
 - v. temp shut-in wells none
 - vi. producing wells five
 - vii. abandoned wells five

4. Location of Production Facilities

- a. Surface facilities for a single well pad would consist of a wellhead, separator, gas meter, combustor, (1) 500 gal methanol tank, (1) 500 glycol tank, (3) 500 bbl oil tanks, (1) 500 bbl water tank, (1) 400 bbl emergency tank, (1) 1000 gal propane tank, a pumping unit or Roto-flex unit or ESP or gas lift unit, electrical or with a natural gas or diesel fired motor, solar panels, solar chemical and methanol pumps and one trace pump, and if necessary power lines. See attached proposed facility diagram. Additional equipment may be added when more than one well is drilled on each pad.
- b. Most wells would be fitted with a pump jack or Roto-flex unit or ESP or gas lift to assist liquid production. The prime mover for pump jacks or Roto-flex units would be small (100 horsepower or less), electric motor or natural gas or diesel fired internal combustion engines. If a gas lift is installed, it would be set on a 10 ft x 25 ft pad and the prime mover would be a natural gas-fired internal

combustion engine rated at 200 horsepower or less or an electric compressor of similar horsepower powered by electricity.

- c. The tank battery would be surrounded by a secondary containment berm of sufficient capacity to contain 1.1 times the entire capacity of the largest single tank and sufficient freeboard to contain precipitation. All loading lines and valves would be placed inside the berm surrounding the tank battery or would utilize catchment basins to contain spills. All liquid hydrocarbon production and measurement shall conform to the provisions of 43 CFR 3162.7-2 and Onshore Oil and Gas Order No. 4 for the measurement of oil.
- d. Gas meter run(s) would be constructed and located on lease within 500 feet of the wellheads. Meter runs would be housed and/or fenced. As practicably feasible, meters would be equipped with remote telemetry monitoring systems. All gas production and measurement shall comply with the provisions of 43 CFR 3162.7-3, Onshore Oil and Gas Order No. 5, and American Gas Association (AGA) Report No. 3.
- e. A combustor may be installed at this location for control of associated condensate tank emissions. A combustor ranges from 24 inches to 48 inches wide and is approximately 27 ft tall. Combustor placement would be on existing disturbance.
- f. Approximately 87 feet of pipeline corridor (see Topographic Map C) containing up to three lines (one gas pipeline up to 8 inch in diameter, one water line up to 4 inch in diameter and one residue line up to 4 inch in diameter) is proposed trending west to an existing pipeline corridor. The pipeline crosses entirely BOWR surface.
- g. Pipelines would be constructed of steel, polyethylene or fiberglass and would connect to the proposed pipeline servicing nearby BBC wells.
- h. The new segment of gas pipeline would be surface laid or buried within a 30 foot wide pipeline corridor adjacent to the proposed access road. Approval to bury pipelines would be obtained from the appropriate surface owner(s). See 12.d below for disturbance estimates.
- i. Construction of the ROW would temporarily utilize the 30 foot disturbed width for the road for a total disturbed width of 60 foot for the road and pipeline corridors. The use of the proposed well site and access roads would facilitate the staging of the pipeline construction.
- j. Pipeline construction methods and practices would be planned and conducted by BBC with the objective of enhancing reclamation and fostering the re-establishment of the native plant community.
- k. All permanent above-ground structures would be painted a flat, non-reflective color, such as Beetle Green, to match the standard environmental colors. All

facilities would be painted the designated color at the time of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) may be excluded.

- l. Site security guidelines identified in 43 CFR 3162.7-5 and Onshore Oil and Gas Order No. 3 would be adhered to. Any modifications to proposed facilities would be reflected in the site security diagram submitted.
- m. The site would require periodic maintenance to ensure that drainages are kept open and free of debris, and that surfaces are properly treated to reduce erosion, fugitive dust, and impacts to adjacent areas.

5. Location and Type of Water Supply:

- a. Water for the drilling and completion would be trucked from any of the following locations:

Water Right No. and Application or Change No.	Applicant	Allocation	Date	Point of Diversion	Source
43-180	Duchesne City Water Service District	5.0 cfs	8/13/2004	Knight Diversion Dam	Duchesne River
43-1202, Change a13837	Myton City	5.49 cfr and 3967 acre feet	3/21/1986	Knight Diversion Dam	Duchesne River
43-10444, Appln A57477	Duchesne County Upper Country Water	2.0 cfs	1994	Ditch at Source	Cow Canyon Spring
43-1273, Appln A17462	J.J.N.P. Company	7.0 cfs	1946	Strawberry River	Strawberry River
43-1273, Appln t36590	J.J.N.P. Company	4.0 cfs	6/03/2010	Strawberry River	Strawberry River
43-2505, Appln t37379	McKinnon Ranch Properties, LC	1.3 cfs	4/28/2011	Pumped from Sec, 17, T4S, R6W	Water Canyon Lake
43-12415, Change A17215a	Peatross Ranch, LLC	1.89 cfs	09/2011	Dugout Pond	Strawberry River

- b. No new water well is proposed with this application.
- c. Should additional water sources be pursued they would be properly permitted through the State of Utah – Division of Water Rights.
- d. Water use would vary in accordance with the formations to be drilled but would be up to approximately 5.41 acre feet for drilling and completion operations.

6. Source of Construction Material:

- a. The use of materials would conform to 43 CFR 3610.2-3.
- b. No construction materials would be removed from the lease or EDA area.
- c. If any additional gravel is required, it would be obtained from a local supplier having a permitted source of materials within the general area.

7. Methods of Handling Waste Disposal:

- a. All wastes associated with this application would be contained and disposed of utilizing approved facilities.
- b. The reserve pit would be constructed so as not to leak, break or allow any discharge.
- c. The reserve pit would be lined with 12 mil (minimum) thickness polyethylene nylon reinforced liner material. The liner(s) would overlay straw, dirt and/or bentonite if rock is encountered during excavation. The liner would overlap the pit walls and be covered with dirt and/or rocks to hold them in place. No trash, scrap pipe, or other materials that could puncture the liner would be discarded in the pit. A minimum of two feet of free board would be maintained between the maximum fluid level and the top of the reserve pit at all times.
- d. To deter livestock from entering the pit, the three sides exterior to the location would be fenced before drilling starts. Following the conclusion of drilling and completion activities, the fourth side would also be fenced.
- e. Drill cuttings would be contained in the pit and buried on-site for a period not to exceed six months, weather permitting
- f. Produced fluids from the well other than water would be decanted into steel test tank(s) until such time as construction of production facilities is completed. Any oil that may be accumulated would be transferred to a permanent production tank. Produced water may be used in further drilling and completion activities, evaporated in the pit, or would be hauled to one of the state-approved disposal facilities below:

Disposal Facilities
1. RNI Industries, Inc. – Pleasant Valley Disposal Pits, Sec. 25, 26, 35 & 36, T4S-R3W
2. Pro Water LLC – Blue Bench 13-1 Disposal Well (43-013-30971) NENE, Sec. 13, T3S-R5W
3. RN Industries, Inc. – Bluebell Disposal Ponds, Sec. 2, 4 & 9, T2S-R2W
4. Water Disposal, Inc. – Harmston 1-32-A1 Disposal Well (43-013-30224), UTR #00707, Sec. 32, T1S-R1W

Disposal Facilities
5. Unified Water Pits – Sec. 31, T2S-R4W
6. Iowa Tank Line Pits – 8500 BLM Fence Road, Pleasant Valley
7. Western Water Solutions – Sand Pass Ranch, Sections 9 and 10, T4S-R1W, permit #WD-01-2011

- g. Any salts and/or chemicals, which are an integral part of the drilling system, would be disposed of in the same manner as the drilling fluid.
- h. Any spills of oil, condensate, produced or frac water, drilling fluids, or other potentially deleterious substances would be recovered and either returned to its origin or disposed of at an approved disposal site, most likely in Duchesne, Utah.
- i. Chemicals on the EPA's Consolidated List of Chemicals subject to reporting under Title III of the Superfund Amendments and Reauthorization Act of 1986 (SARA) may be used or stored in quantities over reportable quantities. In the course of drilling, BBC could potentially store and use diesel fuel, sand (silica), hydrochloric acid, and CO₂ gas, all described as hazardous substances in 40 CFR Part 302, Section 302.4, in quantities exceeding 10,000 pounds. In addition, natural gas condensate and crude oil and methanol may be stored or used in reportable quantities. Small quantities of retail products (paint/spray paints, solvents {e.g., WD-40}, and lubrication oil) containing non-reportable volumes of hazardous substances may be stored and used on site at any time. No extremely hazardous substances, as defined in 40 CFR 355, would be used, produced, stored, transported or disposed of in association with the drilling, testing or completion of the wells.
- j. Portable toilets and trash containers would be located onsite during drilling and completion operations. A commercial supplier would install and maintain portable toilets and equipment and would be responsible for removing sanitary waste. Sanitary waste facilities (i.e. toilet holding tanks) would be regularly pumped and their contents disposed of at approved sewage disposal facilities in Duchesne, and/or Uintah Counties, in accordance with applicable rules and regulations regarding sewage treatment and disposal. Accumulated trash and nonflammable waste materials would be hauled to an approved landfill once a week or as often as necessary. All debris and waste materials not contained in the trash containers would be cleaned up, removed from the construction ROW, well pad, or worker housing location, and disposed of at an approved landfill. Trash would be cleaned up everyday.
- k. Sanitary waste equipment and trash bins would be removed from the Project Area upon completion of access road or pipeline construction; following drilling and completion operations at an individual well pad; when worker housing is no longer needed; or as required.
- l. A flare pit may be constructed a minimum of 110' from the wellhead(s) and may be used during completion work. In the event a flare pit proves to be

unworkable, a temporary flare stack or open top tank would be installed. BBC would flow back as much fluid and gas as possible into pressurized vessels, separating the fluids from the gas. In some instances, due to the completion fluids utilized within the Project Area, it is not feasible to direct the flow stream from the wellbore through pressurized vessels. In such instances BBC proposes to direct the flow to the open top tanks until flow through the pressurized vessels is feasible. At which point the fluid would either be returned to the reserve pit or placed into a tank(s). The gas would be directed to the flare pit, flare stack (each with a constant source of ignition), or may be directed into the sales pipeline.

- m. Hydrocarbons would be removed from the reserve pit would as soon as practical. In the event immediate removal is not practical, the reserve pit would be flagged overhead or covered with wire or plastic mesh to protect migrating birds.

8. Ancillary Facilities:

- a. Garbage containers and portable toilets would be located on the well pad.
- b. On well pads where active drilling and completion is occurring, temporary housing would be provided on location for the well pad supervisor, geologist, tool pusher, and others that are required to be on location at all times. The well pad could include up to five single wide mobile homes or fifth wheel campers/trailers.
- c. A surface powerline corridor 70 feet in length is proposed for installation by third-party installer within a 150 foot wide powerline corridor adjacent to the proposed access road. See 12.d below for disturbance estimates. The powerline crosses entirely UDWR surface.

Well Site Layout:

- a. The well would be properly identified in accordance with 43 CFR 3162.6.
- b. The pad layout, cross section diagrams and rig layout are enclosed (see Figures 1 and 2).
- c. The pad and road designs are consistent with industry specifications.
- d. The pad has been staked at its maximum size of 400 feet x 245 feet with an inboard reserve pit size of 235 feet x 70 feet x 8 feet deep. See section 12.d below for disturbance estimates.
- e. Within the approved well pad location, a crawler tractor would strip whatever topsoil is present and stockpile it along the edge of the well pad for use during reclamation. Vegetation would be distributed along the sides of the well pad.
- f. Fill from pit excavation would be stockpiled along the edge of the pit and the adjacent edge of the well pad.

- g. Use of erosion control measures, including proper grading to minimize slopes, diversion terraces and ditches, mulching, terracing, riprap, fiber matting, temporary sediment traps, and broad-based drainage dips or low water crossings would be employed by BBC as necessary and appropriate to minimize erosion and surface runoff during well pad construction and operation. Cut and fill slopes would be constructed such that stability would be maintained for the life of the activity.
- h. All cut and fill slopes would be such that stability can be maintained for the life of the activity.
- i. Diversion ditches would be constructed, if necessary, around the well site to prevent surface waters from entering the well site area.
- j. Water application may be implemented if necessary to minimize the amount of fugitive dust.
- k. All surface disturbing activities would be supervised by a qualified, responsible company representative who is aware of the terms and conditions of the APD and specifications in the approved plans.

10. Plan for Restoration of the Surface

- a. A site specific reclamation plan would be submitted, if requested, within 90 days of location construction to the surface managing agency.
- b. Site reclamation would be accomplished for portions of the well pad not required for the continued operation of the well on this pad within six months of completion, weather permitting.
- c. The operator would control noxious weeds along access road use authorizations and well site by spraying or mechanical removal, according to the Utah Noxious Weed Act and as set forth in the approved surface damage agreements.
- d. Rat and mouse holes would be filled and compacted from bottom to top immediately upon release of the drilling rig from location. Upon well completion, any hydrocarbons in the pit shall be removed in accordance with 43 CFR 3162.7-1. The reserve pit would be allowed to dry prior to the commencement of backfilling work. No attempts would be made to backfill the reserve pit until it is free of standing water. Once dry, the liner would be torn and perforated before backfilling.
- e. The reserve pit and that portion of the location not needed for production facilities/operations would be recontoured to the approximate natural contours. Areas not used for production purposes would be backfilled and blended into the surrounding terrain, reseeded and erosion control measures installed. Mulching, erosion control measures and fertilization may be required to achieve acceptable

stabilization. Back slopes and fore slopes would be reduced as practical and scarified with the contour. The reserved topsoil would be evenly distributed over the slopes and scarified along the contour. Slopes would be seeded with the landowner specified seed mix.

- f. Topsoil salvaged from the drill site and stored for more than one year would be placed at the location indicated on the well site layout drawing and graded to a depth optimum to maintain topsoil viability, seeded with the landowner prescribed seed mixture and covered with mulch for protection from wind and water erosion and to discourage the invasion of weeds.

11. Surface and Mineral Ownership:

- a. Surface ownership - Utah Division of Wildlife Resources – 1594 W. North Temple, Suite 2110; Salt Lake City, Utah 84116; 801-538-4744.
- b. Mineral ownership - Ute Indian Tribe - 988 South 7500 East; Ft. Duchesne, Utah 84026; 435-725-4982.

12. Other Information:

- a. Montgomery Archeological Consultants has conducted a Class III archeological survey. A copy of the report has been submitted under separate cover to the appropriate agencies by Montgomery as report 11-199 (U-11-MQ-0619i,p,s) dated August 12, 2011.
- b. BBC would require that their personnel, contractors, and subcontractors to comply with Federal regulations intended to protect archeological and cultural resources.
- c. Project personnel and contractors would be educated on and subject to the following requirements:
 - No dogs or firearms within the Project Area.
 - No littering within the Project Area.
 - Smoking within the Project Area would only be allowed in off-operator active locations or in specifically designated smoking areas. All cigarette butts would be placed in appropriate containers and not thrown on the ground or out windows of vehicles; personnel and contractors would abide by all fire restriction orders.
 - Campfires or uncontained fires of any kind would be prohibited.
 - Portable generators used in the Project Area would have spark arrestors.

d. Disturbance estimates:

Approximate Acreage Disturbances			
Well Pad		3.048	acres
Access	54 feet	0.037	acres
Pipeline	87 feet	0.059	acres
Powerline	70 feet	0.241	acres
Total		3.385	acres

OPERATOR CERTIFICATION

Certification:

I hereby certify that I, or someone under my direction supervision, have inspected the drill site and access route proposed herein; that I am familiar with the conditions which currently exist; that I have full knowledge of state and Federal laws applicable to this operation; that the statements made in this APD package are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein would be performed in conformity with this APD package and the terms and conditions under which it is approved. I also certify that I, or the company I represent, am responsible for the operations conducted under this application and that bond coverage is provided under Bill Barrett Corporations federal nationwide bond. These statements are subject to the provisions of 18 U.S.C. 1001 for the filings of false statements.

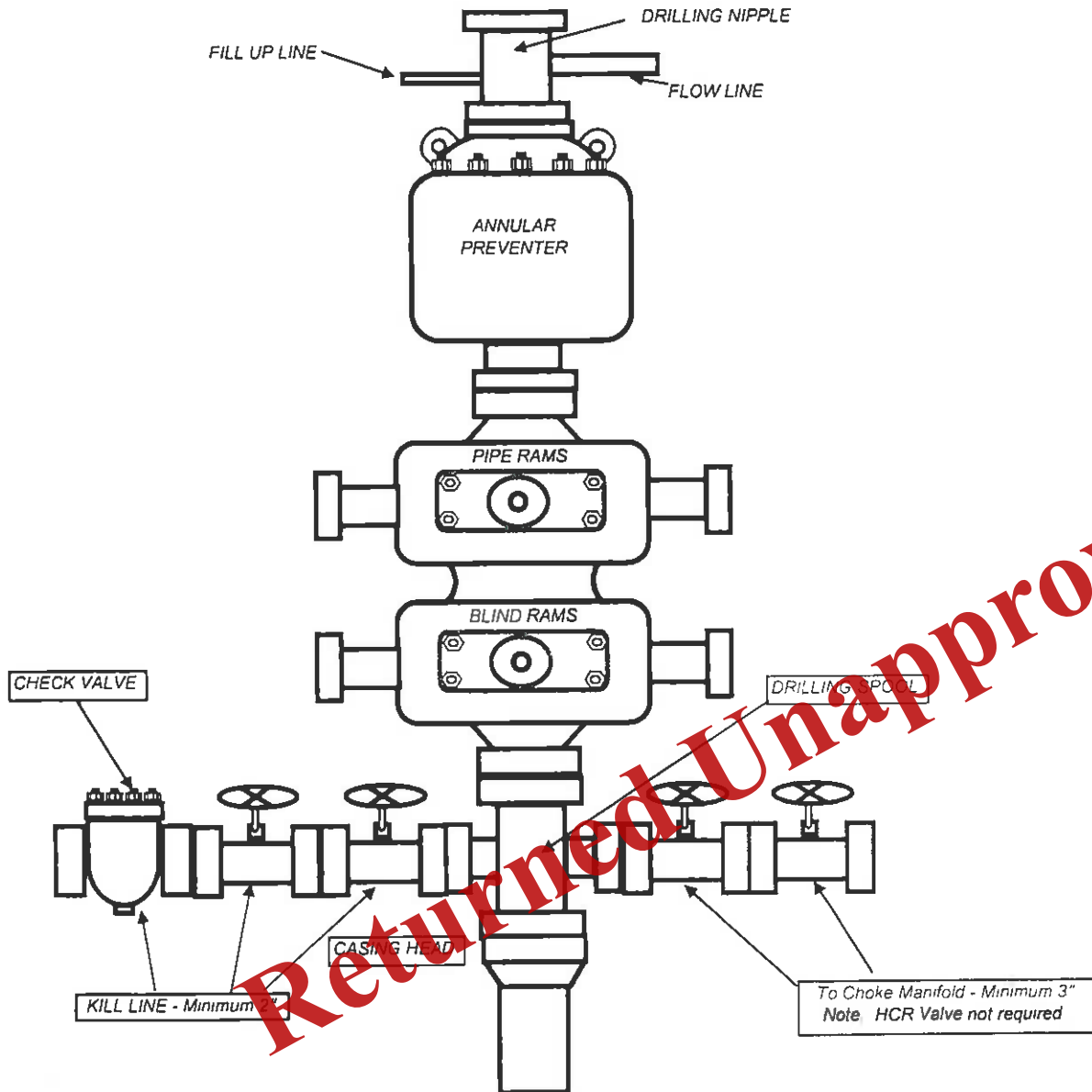
Executed this 8th day of November, 2012
Name: Venessa Langmacher
Position Title: Senior Permit Analyst
Address: 1099 18th Street, Suite 2300, Denver, CO 80202
Telephone: 303-312-8172
E-mail: vlangmacher@billbarrettcorp.com
Field Representative: Kary Eldredge / Bill Barrett Corporation
Address: 1820 W. Highway 40, Roosevelt, UT 84066
Telephone: 435-725-3515 (office); 435-724-6789 (mobile)
E-mail: keldredge@billbarrettcorp.com



Venessa Langmacher, Senior Permit Analyst

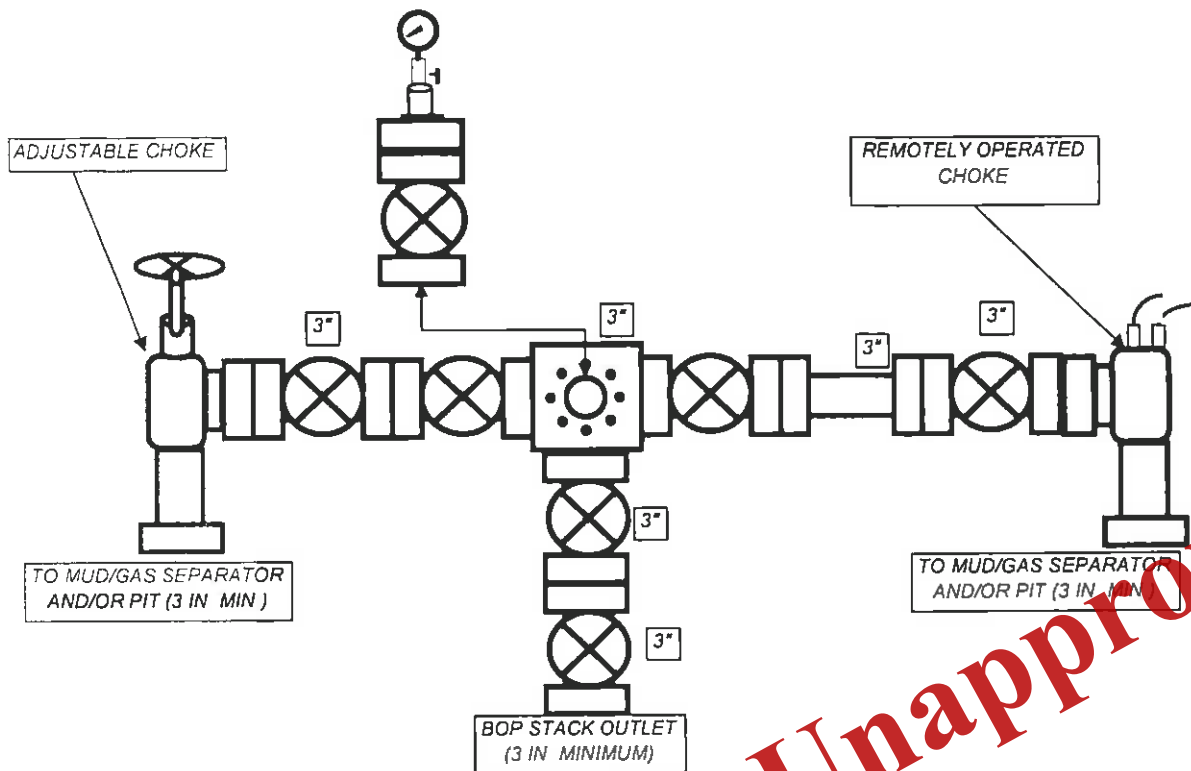
BILL BARRETT CORPORATION

TYPICAL 5,000 p.s.i. BLOWOUT PREVENTER



BILL BARRETT CORPORATION

TYPICAL 5,000 p.s.i. CHOKE MANIFOLD



Returned Unapproved



Bill Barrett Corporation

November 8, 2012

Ms. Diana Mason, Petroleum Technician
State of Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
P. O. Box 145801
Salt Lake City, Utah 84114-5801

**RE: Horizontal Drilling
LC Tribal #16H-27-46
Section 27, T4S-R6W, U.S.B.&M.
Duchesne County, Utah**

**Surface Hole Location: 1,241' FSL & 328' FWL, SWSW, 27-T4S-R6W, USB&M
Bottom Hole Location: 800' FSL & 800' FEL, SESE, 27-T4S-R6W, USB&M**

Dear Ms. Mason:

Pursuant to the filing of Bill Barrett Corporation's ("BBC") Application for Permit to Drill ("APD") regarding the above-referenced well, we are hereby submitting this letter in accordance with Oil & Gas Conservation Rule R649-3-2 pertaining to a temporary 640 acre spacing unit for a horizontal well.

- The tribal lease earned, #420H626425, which includes all of the subject Section 27 lands, allows for the drilling of the #16H-27-46 well.
- The LC Tribal #16H-27-46 will be perforated no less than 640 feet from the Section 27 Tribal Lease boundary, in accordance with R649-3-2(3).

Based on the information provided, BBC requests that the permit be granted pursuant to R649-3-2. If you should have any questions or need further information, please contact me at 303-312-8544.

Sincerely,

David Watts
Landman

1099 18TH STREET
SUITE 2300
DENVER, CO 80202
P 303.293.9100
F 303.291.0420

Received: November 08, 2012

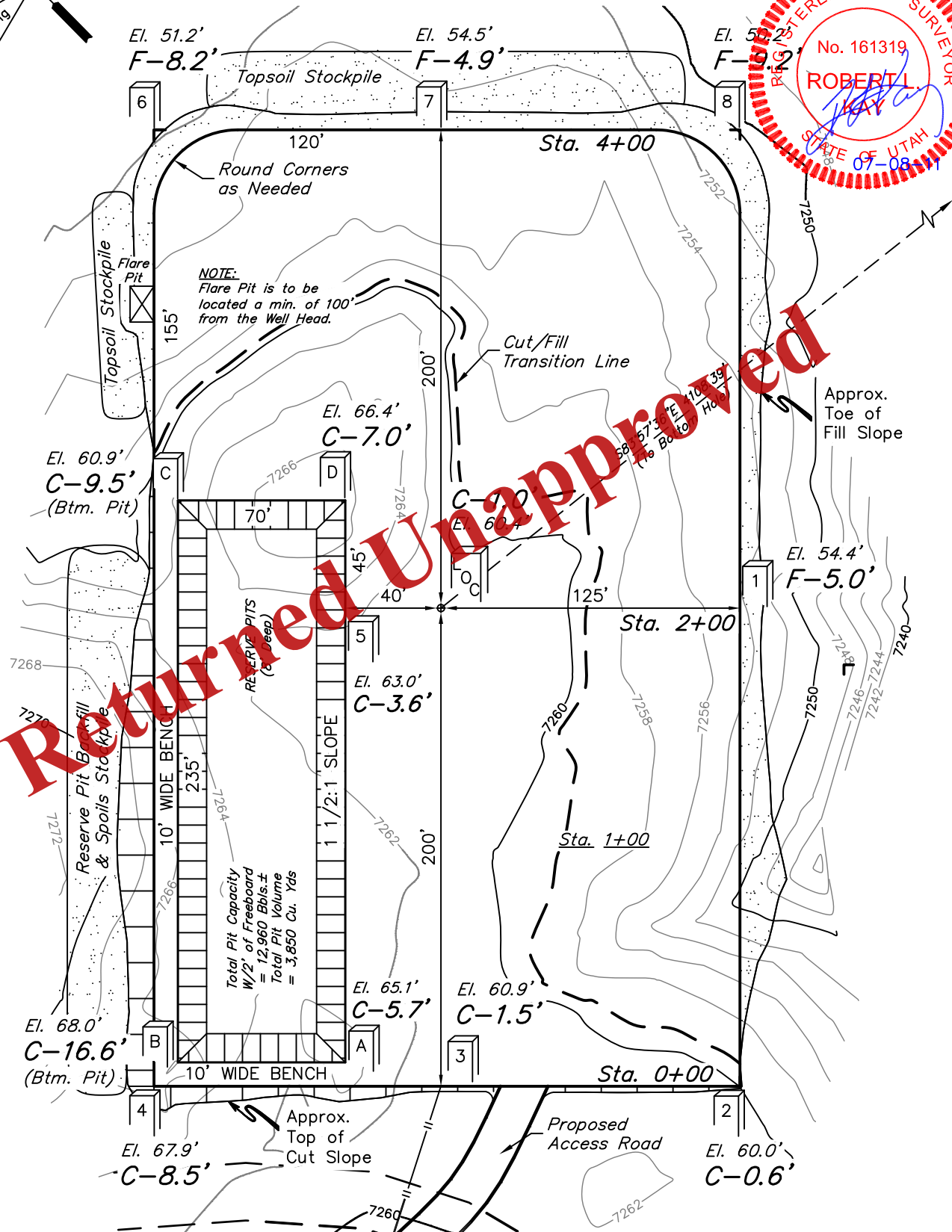
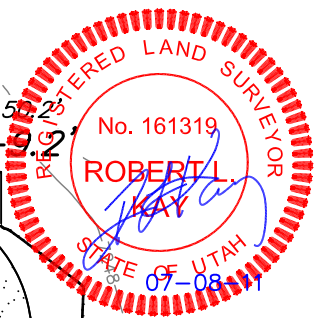
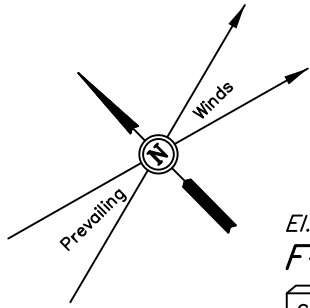
BILL BARRETT CORPORATION

LOCATION LAYOUT FOR

LC TRIBAL #16H-27-46
SECTION 27, T4S, R6W, U.S.B.&M.
1241' FSL 328' FWL

FIGURE #1

SCALE: 1" = 60'
DATE: 06-27-11
DRAWN BY: K.O.



NOTE:
Flare Pit is to be located a min. of 100' from the Well Head.

Total Pit Capacity
W/2' of Freeboard
= 12,960 Bbls.±
Total Pit Volume
= 3,850 Cu. Yds

Elev. Ungraded Ground At Loc. Stake = 7260.4'
FINISHED GRADE ELEV. AT LOC. STAKE = 7259.4'

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017

Received: November 08, 2012

1" = 40'
X-Section
Scale
1" = 100'

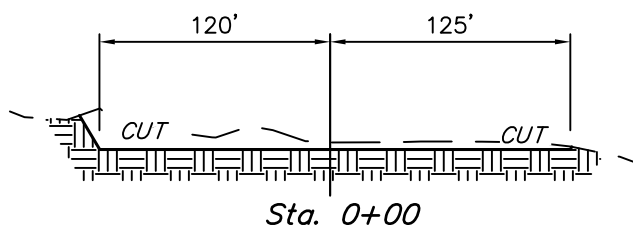
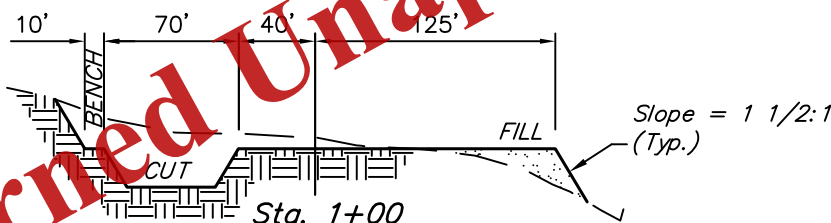
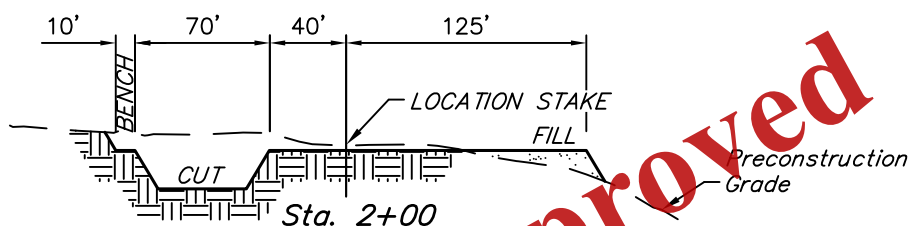
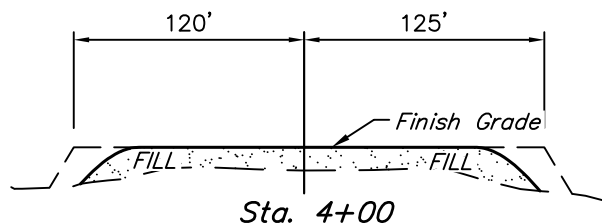
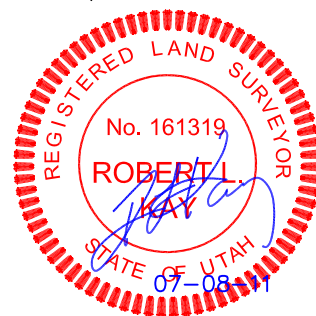
DATE: 06-27-11
DRAWN BY: K.O.

BILL BARRETT CORPORATION

TYPICAL CROSS SECTIONS FOR

LC TRIBAL #16H-27-46
SECTION 27, T4S, R6W, U.S.B.&M.
1241' FSL 328' FWL

FIGURE #2



NOTE:

Topsoil should not be Stripped Below Finished Grade on Substructure Area.

APPROXIMATE ACREAGES

WELL SITE DISTURBANCE = ± 3.048 ACRES
ACCESS ROAD DISTURBANCE = ± 0.018 ACRES
PIPELINE DISTURBANCE = ± 0.042 ACRES
TOTAL = ± 3.108 ACRES

* NOTE:

FILL QUANTITY INCLUDES 5% FOR COMPACTION

APPROXIMATE YARDAGES

(6") Topsoil Stripping = 2,070 Cu. Yds.
Remaining Location = 9,050 Cu. Yds.
TOTAL CUT = 11,020 CU.YDS.
FILL = 7,120 CU.YDS.

EXCESS MATERIAL = 4,000 Cu. Yds.
Topsoil & Pit Backfill = 4,000 Cu. Yds.
(1/2 Pit Vol.)
EXCESS UNBALANCE = 0 Cu. Yds.
(After Interim Rehabilitation)

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017

Received: November 08, 2012

BILL BARRETT CORPORATION

TYPICAL RIG LAYOUT FOR

LC TRIBAL #16H-27-46

SECTION 27, T4S, R6W, U.S.B.&M.

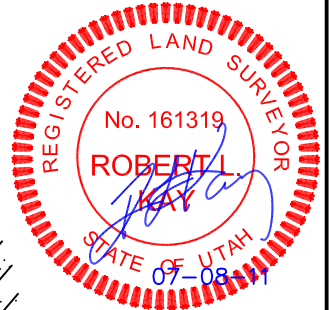
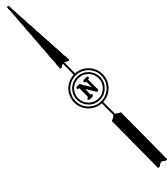
1241' FSL 328' FWL

FIGURE #3

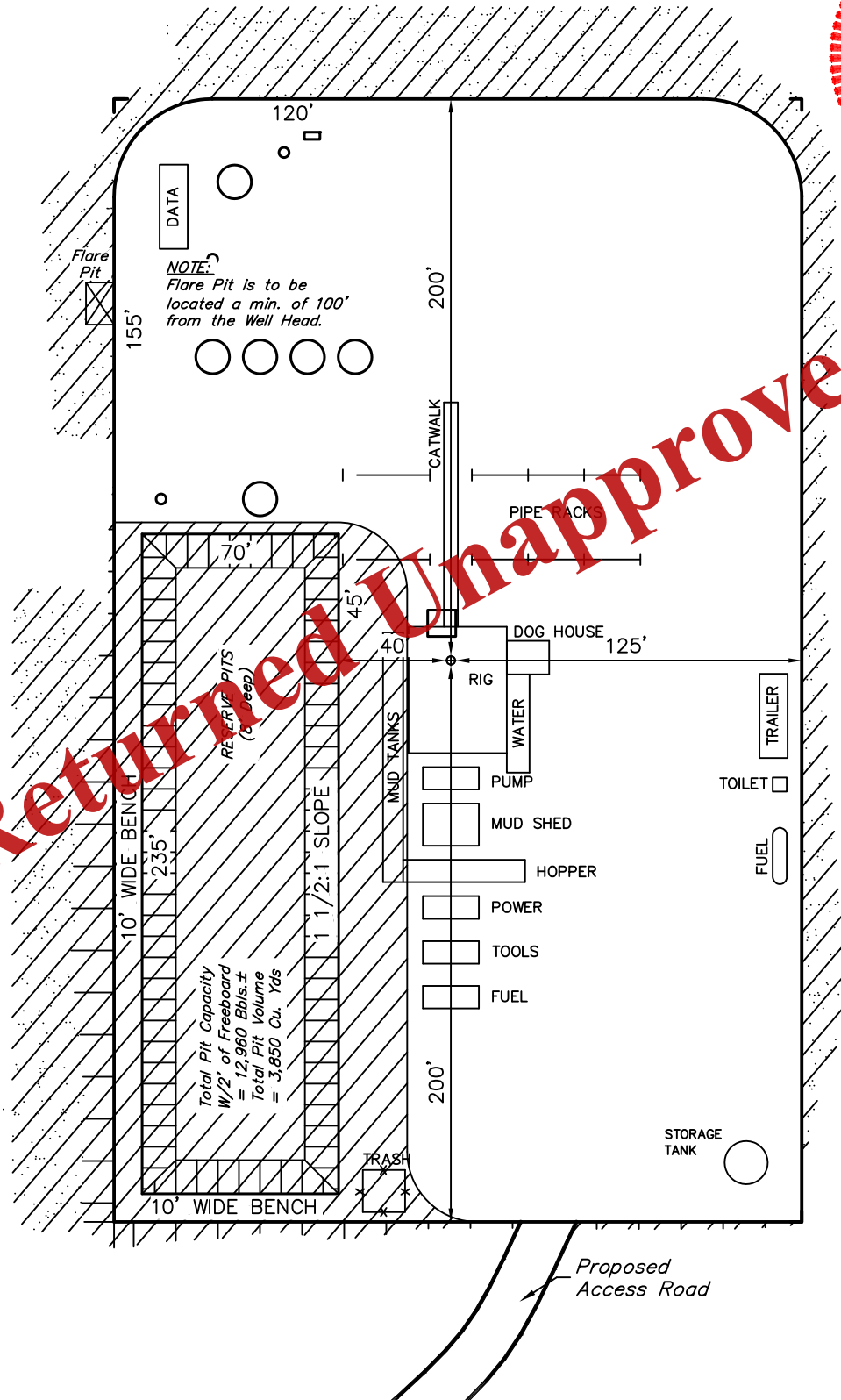
SCALE: 1" = 60'

DATE: 06-27-11

DRAWN BY: K.O.



Returned Unapproved



UINTAH ENGINEERING & LAND SURVEYING

85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017

Received: November 08, 2012

BILL BARRETT CORPORATION

INTERIM RECLAMATION PLAN FOR

LC TRIBAL #16H-27-46
SECTION 27, T4S, R6W, U.S.B.&M.
1241' FSL 328' FWL

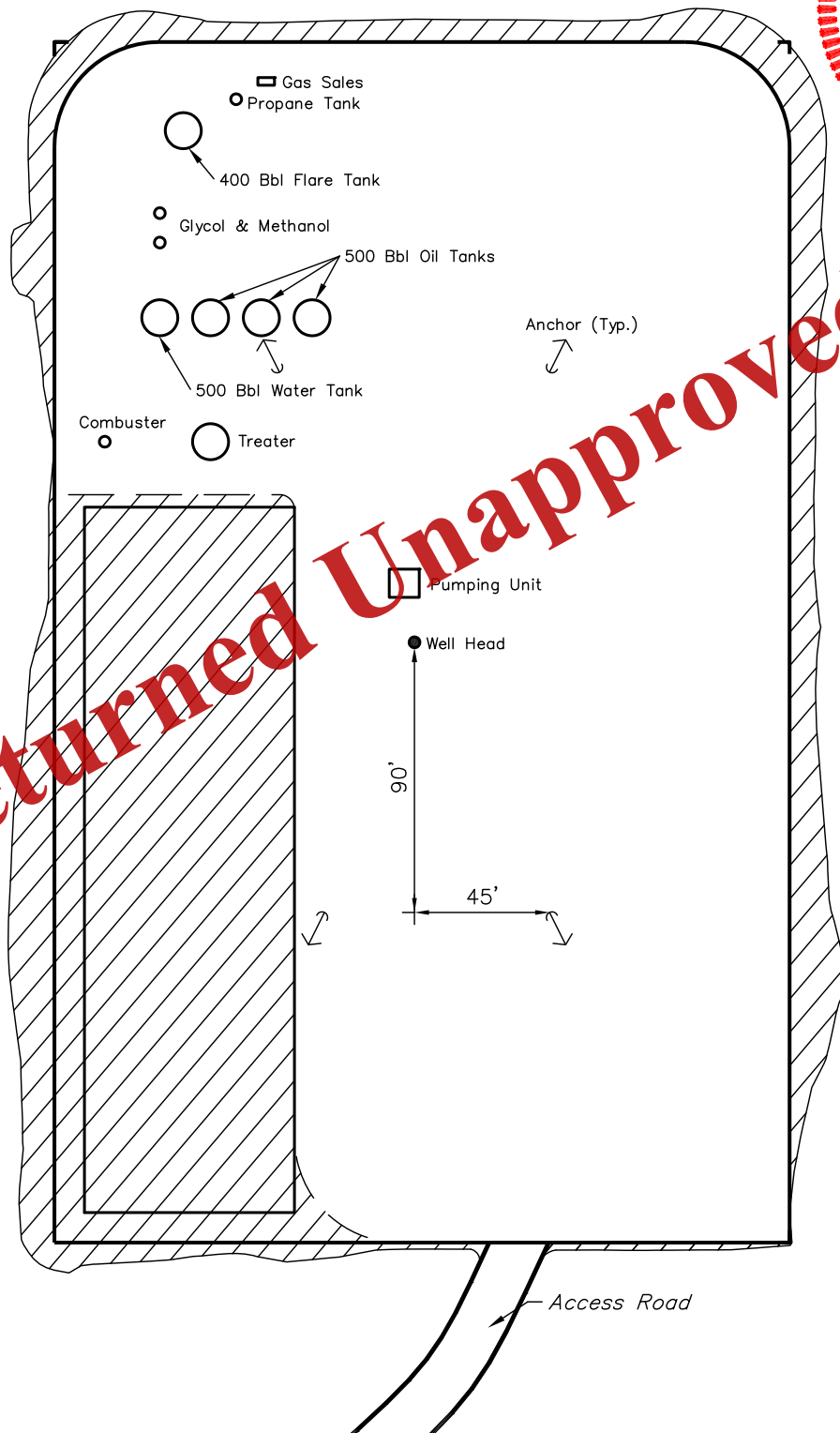
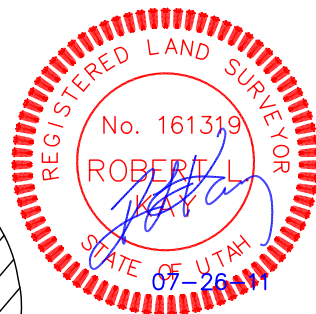
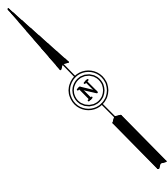
FIGURE #4

SCALE: 1" = 60'

DATE: 07-08-11

DRAWN BY: K.O.

REV: 07-26-11 S.B.

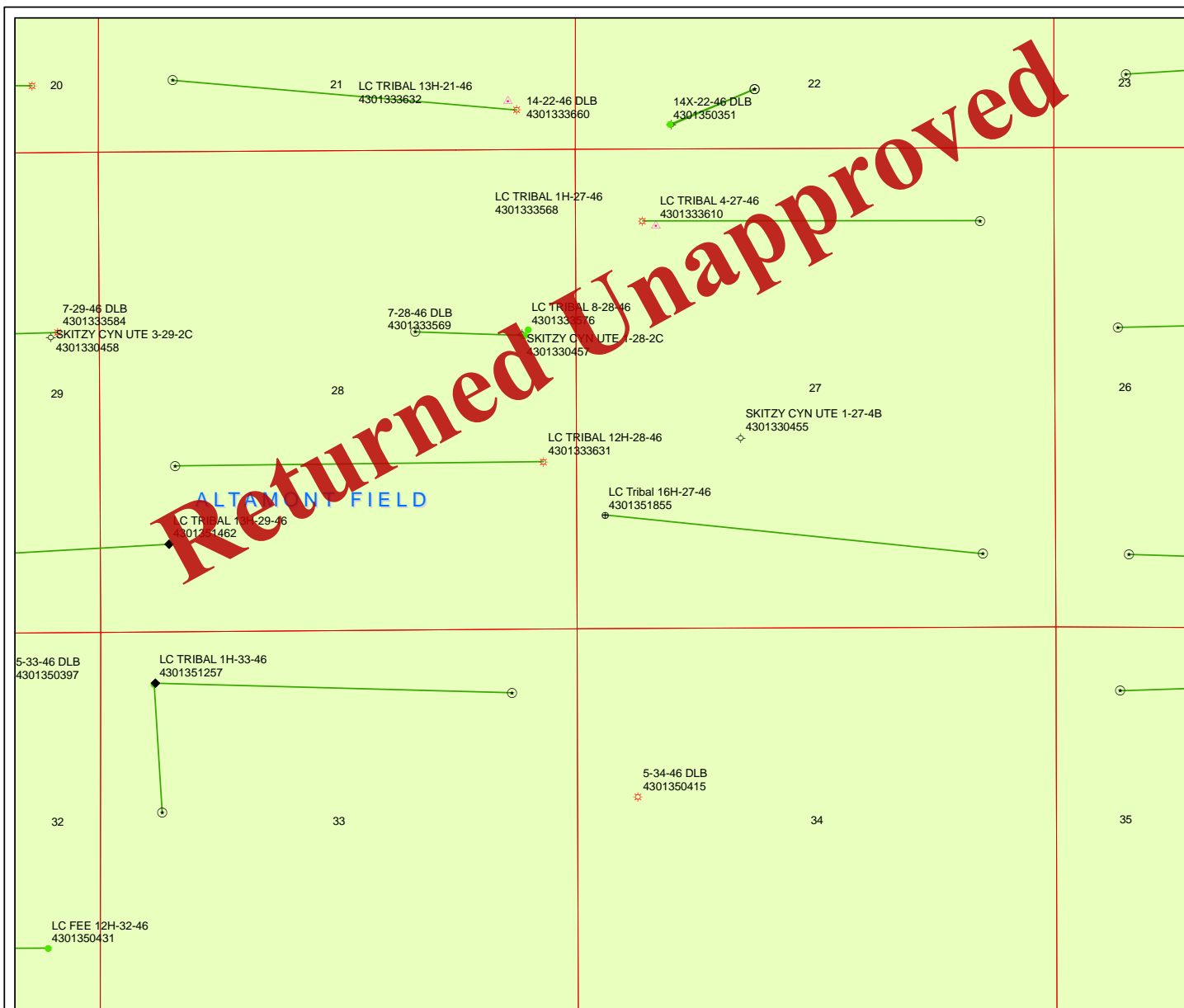


INTERIM RECLAMATION

APPROXIMATE ACREAGES
UN-RECLAIMED = ± 1.774 ACRES

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017

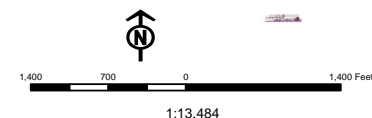
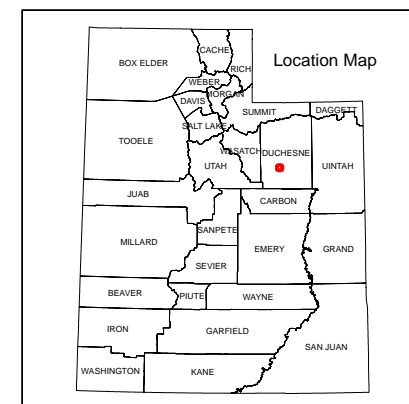
Received: November 08, 2012



API Number: 4301351855
Well Name: LC Tribal 16H-27-46
Township T04.0S Range R06.0W Section 27
Meridian: UBM
Operator: BILL BARRETT CORP

Map Prepared:
 Map Produced by Diana Mason

Units	Wells Query
STATUS	Status
ACTIVE	APD - Approved Permit
EXPLORATORY	DRL - Spudded (Drilling Commenced)
GAS STORAGE	GIW - Gas Injection
NF PP OIL	GS - Gas Storage
NF SECONDARY	LOC - New Location
PI OIL	OPS - Operation Suspended
PP GAS	PA - Plugged Abandoned
PP GEOTHERM	PGW - Producing Gas Well
PP OIL	POW - Producing Oil Well
SECONDARY	SGW - Shut-in Gas Well
TERMINATED	SOW - Shut-in Oil Well
Fields	TA - Temp. Abandoned
Unknown	TW - Test Well
ABANDONED	WDW - Water Disposal
ACTIVE	WW - Water Injection Well
COMBINED	WSW - Water Supply Well
INACTIVE	Bottom Hole Location - Oil/Gas/Dls
STORAGE	
TERMINATED	





GARY R. HERBERT
Governor

GREGORY S. BELL
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

February 14, 2013

BILL BARRETT CORP
1099 18th Street Ste 2300
Denver, CO 80202

Re: Application for Permit to Drill - DUCHESNE County, Utah

Ladies and Gentlemen:

The Application for Permit to Drill (APD) for the LC Tribal 16H-27-46 well, API 43013518550000 that was submitted November 08, 2012 is being returned unapproved. If you plan on drilling this well in the future, you must first submit a new application.

Should you have any questions regarding this matter, please call me at (801) 538-5312.

Sincerely,

Diana Mason
Environmental Scientist

Enclosure

cc: Bureau of Land Management, Vernal, Utah

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

FORM APPROVED
OMB No. 1004-0136
Expires July 31, 2010

JUL 08 2012

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. 20G0005608
1b. Type of Well: <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input checked="" type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name UINTAH AND OURAY
2. Name of Operator BILL BARRETT CORPORATION Contact: VENESSA LANGMACHER E-Mail: vlangmacher@billbarrettcorp.com		7. If Unit or CA Agreement, Name and No.
3a. Address 1099 18TH STREET SUITE 2300 DENVER, CO 80202	3b. Phone No. (include area code) Ph: 303-312-8172 Fx: 303-291-0420	8. Lease Name and Well No. LC TRIBAL 16H-27-46
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface SWSW 1241FSL 328FWL 40.100294 N Lat, 110.557267 W Lon At proposed prod. zone SESE 800FSL 800FEL 40.099133 N Lat, 110.542664 W Lon		9. API Well No.
14. Distance in miles and direction from nearest town or post office* 12.6 MILES SOUTHWEST OF DUCHESNE, UT		10. Field and Pool, or Exploratory ALTAMONT 4301351855
15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 800' (BOTTOM HOLE)	16. No. of Acres in Lease 52428.45	11. Sec., T., R., M., or Blk. and Survey or Area Sec 27 T4S R6W Mer UBM SME: STATE
18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft. 1691'	19. Proposed Depth 9726 MD 5949 TVD	12. County or Parish DUCHESNE
21. Elevations (Show whether DF, KB, RT, GL, etc.) 7260 GL	22. Approximate date work will start 06/01/2013	13. State UT
23. Estimated duration 60 DAYS (D&C)		17. Spacing Unit dedicated to this well 640.00
20. BLM/BIA Bond No. on file LPM8874725		24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

1. Well plat certified by a registered surveyor.
2. A Drilling Plan.
3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification
6. Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature (Electronic Submission)	Name (Printed/Typed) VENESSA LANGMACHER Ph: 303-312-8172	Date 11/08/2012
Title SENIOR PERMIT ANALYST		
Approved by (Signature) 	Name (Printed/Typed) Jerry Kenczka	Date JUN 24 2013
Title Assistant Field Manager	Office VERNAL FIELD OFFICE	

Application approval does not warrant or certify the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
Conditions of approval, if any, are attached.

CONDITIONS OF APPROVAL ATTACHED

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

RECEIVED

Additional Operator Remarks (see next page)

JUL 25 2013

Electronic Submission #159761 verified by the BLM Well Information System
For BILL BARRETT CORPORATION, sent to the Vernal
Committed to AFMSS for processing by JOHNETTA MAGEE on 11/19/2012 (13JMO802AE)DIV. OF OIL, GAS & MINING
UDOGM

NOTICE OF APPROVAL

** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED **

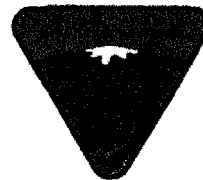


UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
VERNAL FIELD OFFICE

170 South 500 East

VERNAL, UT 84078

(435) 781-4400



CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL

Company: BILL BARRETT CORPORATION
Well No: LC TRIBAL 16H-27-46
API No: 43-013-51855

Location: SWSW, Sec. 27, T4S, R6W
Lease No: 14-20-H62-6422
Agreement: N/A

OFFICE NUMBER: (435) 781-4400

OFFICE FAX NUMBER: (435) 781-3420

**A COPY OF THESE CONDITIONS SHALL BE FURNISHED TO YOUR
FIELD REPRESENTATIVE TO INSURE COMPLIANCE**

All lease and/or unit operations are to be conducted in such a manner that full compliance is made with the applicable laws, regulations (43 CFR Part 3160), and this approved Application for Permit to Drill including Surface and Downhole Conditions of Approval. The operator is considered fully responsible for the actions of his subcontractors. A copy of the approved APD must be on location during construction, drilling, and completion operations. **This permit is approved for a two (2) year period, or until lease expiration, whichever occurs first. An additional extension, up to two (2) years, may be applied for by sundry notice prior to expiration.**

NOTIFICATION REQUIREMENTS

Construction Activity (Notify Ute Tribe Energy & Minerals Dept. and BLM Environmental Scientist)	- The Ute Tribe Energy & Minerals Dept. and BLM Environmental Scientist shall be notified at least 48 hours in advance of any construction activity. The Ute Tribal office is open Monday through Thursday.
Construction Completion (Notify Ute Tribe Energy & Minerals Dept. and BLM Environmental Scientist)	- Upon completion of the pertinent APD/ROW construction, notify the Ute Tribe Energy & Minerals Dept. for a Tribal Technician to verify the Affidavit of Completion. Notify the BLM Environmental Scientist prior to moving on the drilling rig.
Spud Notice (Notify BLM Petroleum Engineer)	- Twenty-Four (24) hours prior to spudding the well.
Casing String & Cementing (Notify BLM Supv. Petroleum Tech.)	- Twenty-Four (24) hours prior to running casing and cementing all casing strings to: blm_ut_vn_opreport@blm.gov .
BOP & Related Equipment Tests (Notify BLM Supv. Petroleum Tech.)	- Twenty-Four (24) hours prior to initiating pressure tests.
First Production Notice (Notify BLM Petroleum Engineer)	- Within Five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days.

***SURFACE USE PROGRAM
CONDITIONS OF APPROVAL (COAs)***

- Any deviation of submitted APD's, which includes BBCs surface use plan, and ROW applications the operator will notify the BLM in writing and will receive written authorization of any such change with appropriate authorization.
- The operator will implement "Safety and Emergency Plan." The operator's safety director will ensure its compliance.
- All operator employees and/or authorized personnel (sub-contractors) in the field will have approved applicable APD's, COAs, and ROW permits/authorizations on their person(s) during all phases of construction.
- All vehicular traffic, personnel movement, construction/restoration operations should be confined to the area examined and approved, and to the existing roadways and/or evaluated access routes.
- Any mitigation measures or conditions of approval within the UDWRs Easement Agreement No. Duch-1110EA-0232, will be followed and be implemented on this proposed well site.
- Noxious weeds will be treated, monitored, and controlled along both the access road, pipeline route, and on the well pad itself.
- Insure topsoil stability on location and use topsoil for interim reclamation as soon as possible to maintain viability of the topsoil resource. If stored for a longer period of time then topsoil will be maintained to increase viability until the resource can be used for reclamation purposes only.
- All above ground production facilities will be painted Beetle Green on this location to help blend in with the surrounding habitat, unless otherwise directed by the landowners or BLM AO.
- The operator must conduct operations to minimize adverse effects to surface and subsurface resources. This will be accomplished by staying on the approved acres of disturbance, and conforming to dust mitigation technology and doing interim reclamation practices on unused portions of the proposal.
- All dry washes will be diverted away from the actual well pad as discussed during the onsite investigation, and as agreed to by the landowners.
- Winter big game timing will be implemented. This is a timing restriction; no surface disturbing action will take place on the location from December 1st to April 15th.

Site reclamation will be accomplished for portions of the well pad not needed for production, within 6 months of completion, weather permitting. This also includes any roads, and pipeline areas that have been disturbed as well. Road areas not being used and pipeline disturbances can undergo reclamation immediately after the pipeline is installed and after the roads are built. Please contact the private landowner for seed mixes that work in the area. This could also be included in the reclamation plan from BBC. Seeds must be planted in August and prior to ground freeze. Non-natives can be used; however lbs/ac must be kept low to minimize the chance of a monoculture

DOWNHOLE PROGRAM

CONDITIONS OF APPROVAL (COAs)

SITE SPECIFIC DOWNHOLE COAs:

- A formation integrity test shall be performed at the surface casing shoe.
- Gamma Ray log shall be run from Total Depth to Surface.
- To effectively protect useable water, cement for the long-string shall be brought to 200' above the surface casing shoe.
- A bowl diverter system, which is connected and discharges to a panic or choke blooie line, shall be installed while drilling the surface hole section.

All provisions outlined in Onshore Oil & Gas Order #2 Drilling Operations shall be strictly adhered to. The following items are emphasized:

DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS

- The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.
- Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.
- All requirements listed in Onshore Order #2 III. E. Special Drilling Operations are applicable for air drilling of surface hole.
- Blowout prevention equipment (BOPE) shall remain in use until the well is completed or abandoned. Closing unit controls shall remain unobstructed and readily accessible at all times. Choke manifolds shall be located outside of the rig substructure.
- All BOPE components shall be inspected daily and those inspections shall be recorded in the daily drilling report. Components shall be operated and tested as required by Onshore Oil & Gas Order No. 2 to insure good mechanical working order. All BOPE pressure tests shall be performed by a test pump with a chart recorder and **NOT** by the rig pumps. Test shall be reported in the driller's log.
- BOP drills shall be initially conducted by each drilling crew within 24 hours of drilling out from under the surface casing and weekly thereafter as specified in Onshore Oil & Gas Order No. 2.
- Casing pressure tests are required before drilling out from under all casing strings set and cemented in place.
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 - Operator name, address, and telephone number.
 - Well name and number.
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 - The nature of the well's production, (i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons).
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 - Communitization agreement number, if applicable.
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performed. Samples (cuttings, fluid, and/or gas) shall be submitted only when requested by the BLM, Vernal Field Office.

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- Any additional construction, reconstruction, or alterations of facilities, including roads, gathering lines, batteries, etc., which will result in the disturbance of new ground, shall require the filing of a suitable plan and need prior approval of the BLM Vernal Field Office. Emergency approval may be obtained orally, but such approval does not waive the written report requirement.
- No location shall be constructed or moved, no well shall be plugged, and no drilling or workover equipment shall be removed from a well to be placed in a suspended status without prior approval of the BLM Vernal Field Office. If operations are to be suspended for more than 30 days, prior approval of the BLM Vernal Field Office shall be obtained and notification given before resumption of operations.
- Pursuant to Onshore Oil & Gas Order No. 7, this is authorization for pit disposal of water produced from this well for a period of 90 days from the date of initial production. A permanent disposal method must be approved by this office and in operation prior to the end of this 90-day period. In order to meet this deadline, an application for the proposed permanent disposal method shall be submitted along with any necessary water analyses, as soon as possible, but no later than 45 days after the date of first production. Any method of disposal which has not been approved prior to the end of the authorized 90-day period will be considered as an Incident of Noncompliance and will be grounds for issuing a shut-in order until an acceptable manner for disposing of said water is provided and approved by this office.
- Unless the plugging is to take place immediately upon receipt of oral approval, the Field Office Petroleum Engineers must be notified at least 24 hours in advance of the plugging of the well, in order that a representative may witness plugging operations. If a well is suspended or abandoned, all pits must be fenced immediately until they are backfilled. The "Subsequent Report of Abandonment" (Form BLM 3160-5) must be submitted within 30 days after the actual plugging of the well bore, showing location of plugs, amount of cement in each, and amount of casing left in hole, and the current status of the surface restoration.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

FORM APPROVED
OMB No. 1004-0136
Expires July 31, 2010

JUL 08 2012

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. 20G0005608
1b. Type of Well: <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input checked="" type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name UINTAH AND OURAY
2. Name of Operator BILL BARRETT CORPORATION Contact: VENESSA LANGMACHER E-Mail: vlangmacher@billbarrettcorp.com		7. If Unit or CA Agreement, Name and No.
3a. Address 1099 18TH STREET SUITE 2300 DENVER, CO 80202	3b. Phone No. (include area code) Ph: 303-312-8172 Fx: 303-291-0420	8. Lease Name and Well No. LC TRIBAL 16H-27-46
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface SWSW 1241FSL 328FWL 40.100294 N Lat, 110.557267 W Lon At proposed prod. zone SESE 800FSL 800FEL 40.099133 N Lat, 110.542664 W Lon		9. API Well No.
14. Distance in miles and direction from nearest town or post office* 12.6 MILES SOUTHWEST OF DUCHESNE, UT		10. Field and Pool, or Exploratory ALTAMONT 4301351855
15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 800' (BOTTOM HOLE)	16. No. of Acres in Lease 52428.45	11. Sec., T., R., M., or Blk. and Survey or Area Sec 27 T4S R6W Mer UBM SME: STATE
18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft. 1691'	19. Proposed Depth 9726 MD 5949 TVD	12. County or Parish DUCHESNE
21. Elevations (Show whether DF, KB, RT, GL, etc.) 7260 GL	22. Approximate date work will start 06/01/2013	13. State UT
23. Estimated duration 60 DAYS (D&C)		17. Spacing Unit dedicated to this well 640.00
20. BLM/BIA Bond No. on file LPM8874725		24. Attachments

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

1. Well plat certified by a registered surveyor.
2. A Drilling Plan.
3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification
6. Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature (Electronic Submission)	Name (Printed/Typed) VENESSA LANGMACHER Ph: 303-312-8172	Date 11/08/2012
Title SENIOR PERMIT ANALYST		
Approved by (Signature) 	Name (Printed/Typed) Jerry Kenczka	Date JUN 24 2013
Title Assistant Field Manager	Office VERNAL FIELD OFFICE	

Application approval does not warrant or certify the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
Conditions of approval, if any, are attached.

CONDITIONS OF APPROVAL ATTACHED

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

RECEIVED

Additional Operator Remarks (see next page)

JUL 25 2013

Electronic Submission #159761 verified by the BLM Well Information System
For BILL BARRETT CORPORATION, sent to the Vernal
Committed to AFMSS for processing by JOHNETTA MAGEE on 11/19/2012 (13JM0802AE)DIV. OF OIL, GAS & MINING
UDOGM

NOTICE OF APPROVAL

** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED **

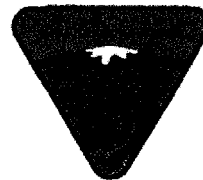


UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
VERNAL FIELD OFFICE

170 South 500 East

VERNAL, UT 84078

(435) 781-4400



CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL

Company: BILL BARRETT CORPORATION
Well No: LC TRIBAL 16H-27-46
API No: 43-013-51855

Location: SWSW, Sec. 27, T4S, R6W
Lease No: 14-20-H62-6422
Agreement: N/A

OFFICE NUMBER: (435) 781-4400

OFFICE FAX NUMBER: (435) 781-3420

**A COPY OF THESE CONDITIONS SHALL BE FURNISHED TO YOUR
FIELD REPRESENTATIVE TO INSURE COMPLIANCE**

All lease and/or unit operations are to be conducted in such a manner that full compliance is made with the applicable laws, regulations (43 CFR Part 3160), and this approved Application for Permit to Drill including Surface and Downhole Conditions of Approval. The operator is considered fully responsible for the actions of his subcontractors. A copy of the approved APD must be on location during construction, drilling, and completion operations. **This permit is approved for a two (2) year period, or until lease expiration, whichever occurs first. An additional extension, up to two (2) years, may be applied for by sundry notice prior to expiration.**

NOTIFICATION REQUIREMENTS

Construction Activity (Notify Ute Tribe Energy & Minerals Dept. and BLM Environmental Scientist)	- The Ute Tribe Energy & Minerals Dept. and BLM Environmental Scientist shall be notified at least 48 hours in advance of any construction activity. The Ute Tribal office is open Monday through Thursday.
Construction Completion (Notify Ute Tribe Energy & Minerals Dept. and BLM Environmental Scientist)	- Upon completion of the pertinent APD/ROW construction, notify the Ute Tribe Energy & Minerals Dept. for a Tribal Technician to verify the Affidavit of Completion. Notify the BLM Environmental Scientist prior to moving on the drilling rig.
Spud Notice (Notify BLM Petroleum Engineer)	- Twenty-Four (24) hours prior to spudding the well.
Casing String & Cementing (Notify BLM Supv. Petroleum Tech.)	- Twenty-Four (24) hours prior to running casing and cementing all casing strings to: blm_ut_vn_opreport@blm.gov .
BOP & Related Equipment Tests (Notify BLM Supv. Petroleum Tech.)	- Twenty-Four (24) hours prior to initiating pressure tests.
First Production Notice (Notify BLM Petroleum Engineer)	- Within Five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days.

***SURFACE USE PROGRAM
CONDITIONS OF APPROVAL (COAs)***

- Any deviation of submitted APD's, which includes BBCs surface use plan, and ROW applications the operator will notify the BLM in writing and will receive written authorization of any such change with appropriate authorization.
- The operator will implement "Safety and Emergency Plan." The operator's safety director will ensure its compliance.
- All operator employees and/or authorized personnel (sub-contractors) in the field will have approved applicable APD's, COAs, and ROW permits/authorizations on their person(s) during all phases of construction.
- All vehicular traffic, personnel movement, construction/restoration operations should be confined to the area examined and approved, and to the existing roadways and/or evaluated access routes.
- Any mitigation measures or conditions of approval within the UDWRs Easement Agreement No. Duch-1110EA-0232, will be followed and be implemented on this proposed well site.
- Noxious weeds will be treated, monitored, and controlled along both the access road, pipeline route, and on the well pad itself.
- Insure topsoil stability on location and use topsoil for interim reclamation as soon as possible to maintain viability of the topsoil resource. If stored for a longer period of time then topsoil will be maintained to increase viability until the resource can be used for reclamation purposes only.
- All above ground production facilities will be painted Beetle Green on this location to help blend in with the surrounding habitat, unless otherwise directed by the landowners or BLM AO.
- The operator must conduct operations to minimize adverse effects to surface and subsurface resources. This will be accomplished by staying on the approved acres of disturbance, and conforming to dust mitigation technology and doing interim reclamation practices on unused portions of the proposal.
- All dry washes will be diverted away from the actual well pad as discussed during the onsite investigation, and as agreed to by the landowners.
- Winter big game timing will be implemented. This is a timing restriction; no surface disturbing action will take place on the location from December 1st to April 15th.

Site reclamation will be accomplished for portions of the well pad not needed for production, within 6 months of completion, weather permitting. This also includes any roads, and pipeline areas that have been disturbed as well. Road areas not being used and pipeline disturbances can undergo reclamation immediately after the pipeline is installed and after the roads are built. Please contact the private landowner for seed mixes that work in the area. This could also be included in the reclamation plan from BBC. Seeds must be planted in August and prior to ground freeze. Non-natives can be used; however lbs/ac must be kept low to minimize the chance of a monoculture

DOWNHOLE PROGRAM

CONDITIONS OF APPROVAL (COAs)

SITE SPECIFIC DOWNHOLE COAs:

- A formation integrity test shall be performed at the surface casing shoe.
- Gamma Ray log shall be run from Total Depth to Surface.
- To effectively protect useable water, cement for the long-string shall be brought to 200' above the surface casing shoe.
- A bowl diverter system, which is connected and discharges to a panic or choke blooie line, shall be installed while drilling the surface hole section.

All provisions outlined in Onshore Oil & Gas Order #2 Drilling Operations shall be strictly adhered to. The following items are emphasized:

DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS

- The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.
- Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.
- All requirements listed in Onshore Order #2 III. E. Special Drilling Operations are applicable for air drilling of surface hole.
- Blowout prevention equipment (BOPE) shall remain in use until the well is completed or abandoned. Closing unit controls shall remain unobstructed and readily accessible at all times. Choke manifolds shall be located outside of the rig substructure.
- All BOPE components shall be inspected daily and those inspections shall be recorded in the daily drilling report. Components shall be operated and tested as required by Onshore Oil & Gas Order No. 2 to insure good mechanical working order. All BOPE pressure tests shall be performed by a test pump with a chart recorder and **NOT** by the rig pumps. Test shall be reported in the driller's log.
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United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Green River District
Vernal Field Office
170 South 500 East
Vernal, UT 84078

<http://www.blm.gov/ut/st/en/fo/vernal.html>



September 25, 2013

IN REPLY REFER TO:
3160 (UTG011)

Venessa Langmacher
Bill Barrett Corporation
1099 18th Street, Suite 2300
Denver, CO 80202

43 013 51855

Re: Request to Rescind Approved APD
Well No. LC Tribal 16H-27-46
SWSW, Sec. 27, T4S, R6W
Duchesne County, Utah
Lease No. 2OG0005608

RECEIVED
OCT 21 2013
DIV. OF OIL, GAS & MINING

Dear Ms. Langmacher:

The Application for Permit to Drill (APD) for the above-referenced well was approved on June 24, 2013. This office is rescinding its approval of the referenced Application for Permit to Drill per your request to this office in an email message to Land Law Examiner Robin R. Hansen received on August 7, 2013. If you intend to drill at this location in the future, a new Application for Permit to Drill must be submitted.

This office requires a letter confirming that no surface disturbance has been made for this drill site. Any surface disturbance associated with the approved location of this well is to be rehabilitated. A schedule for this rehabilitation must be submitted to this office. Your cooperation in this matter is appreciated.

If you have any questions regarding APD processing, please contact Robin R. Hansen at (435) 781-3428.

Sincerely,

/s/ Jerry Kenczka

Jerry Kenczka
Assistant Field Manager
Lands & Resource Minerals

cc: UDOGM

bcc: Well File
BIA
I&E Asst.